

SECOND REGULAR SESSION

HOUSE BILL NO. 2133

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HINSON.

5942L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.115, 33.282, 67.3000, 67.3005, 100.286, 100.297, 100.780, 100.850, 135.010, 135.015, 135.020, 135.025, 135.030, 135.090, 135.110, 135.327, 135.341, 135.352, 135.460, 135.481, 135.490, 135.503, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.967, 135.968, 135.1150, 135.1180, 137.106, 137.1018, 143.011, 143.021, 143.119, 143.471, 148.064, 148.400, 148.620, 148.655, 148.657, 191.1056, 208.770, 253.550, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.809, 620.2020, and 660.055, RSMo, and to enact in lieu thereof fifty-nine new sections relating to taxation.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 32.115, 33.282, 67.3000, 67.3005, 100.286, 100.297, 100.780, 100.850, 135.010, 135.015, 135.020, 135.025, 135.030, 135.090, 135.110, 135.327, 135.341, 135.352, 135.460, 135.481, 135.490, 135.503, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.967, 135.968, 135.1150, 135.1180, 137.106, 137.1018, 143.011, 143.021, 143.119, 143.471, 148.064, 148.400, 148.620, 148.655, 148.657, 191.1056, 208.770, 253.550, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.809, 620.2020, and 660.055, RSMo, are repealed and fifty-nine new sections enacted in lieu thereof, to be known as sections 32.115, 33.282, 67.3000, 67.3005, 100.286, 100.297, 100.780, 100.850, 135.010, 135.015, 135.020, 135.025, 135.030, 135.090, 135.110, 135.327, 135.341, 135.352, 135.460, 135.481, 135.490, 135.503, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.967, 135.968, 135.1150, 135.1180, 137.1018, 143.011, 143.021, 143.119, 143.471, 148.064, 148.400, 148.620, 148.655, 148.657, 191.1056, 208.770,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

13 253.550, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.809,
14 620.2020, and 660.055, to read as follows:

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the
2 following order until used, against:

3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;

4 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
5 148.030;

6 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;

7 (4) The tax on other financial institutions in chapter 148;

8 (5) The corporation franchise tax in chapter 147;

9 (6) The state income tax in chapter 143; and

10 (7) The annual tax on gross receipts of express companies in chapter 153.

11 2. For proposals approved pursuant to section 32.110:

12 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
13 contributed during the taxable year by the business firm or, in the case of a financial institution,
14 where applicable, during the relevant income period in programs approved pursuant to section
15 32.110;

16 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy
17 percent may be allowed for contributions to programs where activities fall within the scope of
18 special program priorities as defined with the approval of the governor in regulations
19 promulgated by the director of the department of economic development;

20 (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for
21 contributions to programs located in any community shall be equal to seventy percent of the total
22 amount contributed where such community is a city, town or village which has fifteen thousand
23 or less inhabitants as of the last decennial census and is located in a county which is either
24 located in:

25 (a) An area that is not part of a standard metropolitan statistical area;

26 (b) A standard metropolitan statistical area but such county has only one city, town or
27 village which has more than fifteen thousand inhabitants; or

28 (c) A standard metropolitan statistical area and a substantial number of persons in such
29 county derive their income from agriculture. Such community may also be in an unincorporated
30 area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no
31 case shall the total economic benefit of the combined federal and state tax savings to the taxpayer
32 exceed the amount contributed by the taxpayer during the tax year;

33 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
34 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000

35 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
36 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty
37 percent credit of the total amount contributed. Regulations establishing special program
38 priorities are to be promulgated during the first month of each fiscal year and at such times
39 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty
40 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit
41 shall be approved for any bank, bank and trust company, insurance company, trust company,
42 national bank, savings association, or building and loan association for activities that are a part
43 of its normal course of business. Any tax credit not used in the period the contribution was made
44 may be carried over the next five succeeding calendar or fiscal years until the full credit has been
45 claimed. Except as otherwise provided for proposals approved pursuant to section 32.111,
46 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to
47 sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
48 million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are
49 not approved, then the remaining credits may be used for programs approved pursuant to sections
50 32.100 to 32.125;

51 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be
52 limited if community services, crime prevention, education, job training, physical revitalization
53 or economic development, as defined by section 32.105, is rendered in an area defined by federal
54 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood
55 experiencing problems endangering its existence as a viable and stable neighborhood, or if the
56 community services, crime prevention, education, job training, physical revitalization or
57 economic development is limited to impoverished persons.

58 3. For proposals approved pursuant to section 32.111:

59 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
60 invested in affordable housing assistance activities or market rate housing in distressed
61 communities as defined in section 135.530 by a business firm. Whenever such investment is
62 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits
63 may be claimed only where the loan or equity investment is accompanied by a donation which
64 is eligible for federal income tax charitable deduction, and where the total value of the tax credits
65 herein plus the value of the federal income tax charitable deduction is less than or equal to the
66 value of the donation. Any tax credit not used in the period for which the credit was approved
67 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been
68 allowed. If the affordable housing units or market rate housing units in distressed communities
69 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax
70 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated

71 basis in proportion to the ratio of the number of square feet devoted to the affordable housing
72 units or market rate housing units in distressed communities, for purposes of determining the
73 amount of the tax credit. The total amount of tax credit granted for programs approved pursuant
74 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars,
75 to be increased by no more than two million dollars each succeeding fiscal year, until the total
76 tax credits that may be approved reaches ten million dollars in any fiscal year;

77 (2) For any year during the compliance period indicated in the land use restriction
78 agreement, the owner of the affordable housing rental units for which a credit is being claimed
79 shall certify to the commission that all tenants renting claimed units are income eligible for
80 affordable housing units and that the rentals for each claimed unit are in compliance with the
81 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit
82 the records and accounts of the owner to verify such certification;

83 (3) In the case of owner-occupied affordable housing units, the qualifying owner
84 occupant shall, before the end of the first year in which credits are claimed, certify to the
85 commission that the occupant is income eligible during the preceding two years, and at the time
86 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
87 certify to the commission, before the end of the first year in which credits are claimed, that
88 during the compliance period indicated in the land use restriction agreement, the cost of the
89 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
90 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
91 acquiring the affordable housing unit during the compliance period indicated in the land use
92 restriction agreement shall make the same certification;

93 (4) If at any time during the compliance period the commission determines a project for
94 which a proposal has been approved is not in compliance with the applicable provisions of
95 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
96 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
97 owner, or seek legal damages against the owner representing the value of the tax credits, or
98 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
99 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
100 credits allowed herein. The commission shall remit to the director of revenue the portion of the
101 legal damages collected or the sale proceeds representing the value of the tax credits. However,
102 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
103 tax credits shall not be revoked.

104 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall
105 not exceed fifty-five percent of the total amount contributed to a neighborhood organization by
106 business firms. Any tax credit not used in the period for which the credit was approved may be

107 carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed.
108 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall
109 not exceed one million dollars for each fiscal year.

110 5. The total amount of tax credits used for market rate housing in distressed communities
111 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all
112 tax credits authorized pursuant to sections 32.111 and 32.112.

113 **6. (1) Except as provided in subdivision (2) of this subsection, notwithstanding any**
114 **other provision of law to the contrary, no tax credits shall be authorized under sections**
115 **32.100 to 32.125 on or after August 28, 2014, or issued after June 30, 2015, and any such**
116 **tax credit issued before July 1, 2015, that is not redeemed in the period the contribution**
117 **was made may be carried forward as provided in this section.**

118 **(2) All tax credits for economic development under the development tax credit**
119 **program created under sections 32.100 to 32.125 shall be administered as provided in**
120 **section 620.2020.**

33.282. 1. Subject to appropriation the office of administration shall develop a tax
2 expenditure budget for submission to the general assembly in conjunction with the submission
3 of the state budget as required in section 33.280. The tax expenditure budget shall indicate, on
4 an annual basis, the reduction in revenue collections for each fiscal year as a result of each
5 deduction, exemption, credit or other tax preference as may be authorized by law, and shall
6 indicate, where appropriate, the tax source of each state-funded program. Periodically the tax
7 expenditure budget shall include a cost-benefit analysis of the following:

- 8 (1) The neighborhood assistance program, sections 32.100 to 32.125;
- 9 (2) Tax increment financing, sections 99.800 to 99.865;
- 10 (3) Export and infrastructure funding, sections 100.250 to 100.297;
- 11 (4) Credit for new expanded business facility, sections 135.100 to 135.150;
- 12 (5) Enterprise zones, sections 135.200 to 135.256;
- 13 (6) Main street program, sections 251.470 to 251.485;
- 14 (7) Economic development districts, sections 251.500 to 251.510;
- 15 (8) Rural economic development, sections 620.155 to 620.165;
- 16 (9) Export development, sections 620.170 to 620.174;
- 17 (10) Small business incubator program, section 620.495; and
- 18 (11) Other programs as may be practical. Pursuant to the provisions of section 32.057,
19 the department of revenue shall not release information as part of the tax expenditure budget in
20 a manner that would allow the identification of any individual taxpayer.

21 2. On or before October first of each year each state department authorized by law to
22 offer deductions, exemptions, credits or other tax preferences shall submit to the budget director

23 the estimated amount of such tax expenditures for the fiscal year beginning July first of the
24 following year and a cost/benefit analysis of such tax expenditures for the preceding fiscal year.
25 Such estimates and analysis shall be in the manner and form prescribed by the budget director
26 and shall be submitted by the budget director to the chairman of the senate appropriations
27 committee and the chairman of the house budget committee by January first of each year.

28 3. No new tax credits, except the senior citizens property tax credit as referenced in
29 chapter 135, shall be issued or certified for any tax year beginning after July first of the following
30 year unless the estimate of such credits have been reviewed and approved by a majority of the
31 senate appropriations committee and the house budget committee.

32 4. (1) **The office of administration shall develop a redeemable tax credit budget for**
33 **submission to the general assembly in conjunction with the submission of the state budget**
34 **as required in section 33.280. The redeemable tax credit budget shall indicate, on an**
35 **annual basis, the reduction in revenue collections for each fiscal year as a result of each tax**
36 **credit amount that is eligible to be carried forward and redeemed for each tax credit**
37 **program that is sunset under this act. Under the provisions of section 32.057, the**
38 **department of revenue shall not release information as part of the redeemable tax credit**
39 **budget in a manner that would allow the identification of any individual taxpayer.**

40 (2) **The following tax credits shall be reviewed under this section:**

41 (a) **Development tax credits, neighborhood assistance tax credits, new generation**
42 **cooperative tax credits, and affordable housing tax credits issued under section 32.115;**

43 (b) **Infrastructure tax credits issued under section 100.286;**

44 (c) **Bond guarantee tax credits issued under section 100.297;**

45 (d) **Business use incentives for large-scale development programs issued under**
46 **section 100.850;**

47 (e) **Business facility tax credits issued under section 135.110;**

48 (f) **Low-income housing tax credits issued under section 135.352;**

49 (g) **Neighborhood preservation tax credits issued under section 135.481;**

50 (h) **Disabled access tax credits issued under section 135.490;**

51 (i) **Certified capital company tax credits and community development corporations**
52 **tax credits issued under section 135.503;**

53 (j) **Rebuilding communities tax credits issued under section 135.535;**

54 (k) **Qualified beef tax credits issued under section 135.679;**

55 (l) **Wine and grape production tax credits issued under section 135.700;**

56 (m) **Enhanced enterprise zone tax credits issued under sections 135.967 and**
57 **135.968;**

58 (n) **Self-employed health insurance tax credits issued under section 143.119;**

- 59 (o) Bank tax credits for S corporations issued under section 143.471;
60 (p) Bank franchise tax credits issued under section 148.064;
61 (q) Exam fee tax credits issued under section 148.400;
62 (r) Corporate franchise income tax credits issued under section 148.620;
63 (s) Family development account tax credits issued under section 208.770;
64 (t) Historic preservation tax credits issued under section 253.550;
65 (u) Agricultural product utilization contributor tax credits and new generation
66 cooperative incentive tax credits issued under section 348.434;
67 (v) Family farm breeding livestock loan tax credits issued under section 348.505;
68 (w) Property and casualty guaranty tax credits issued under section 375.774;
69 (x) Life and health insurance guaranty tax credits issued under section 376.745;
70 (y) Health insurance pool tax credits issued under section 376.975;
71 (z) Brownfield redevelopment program tax credits issued under section 447.708;
72 (aa) Small business incubator tax credits issued under section 620.495;
73 (bb) Missouri works community college new jobs training and job retention
74 training credits issued under sections 620.800 to 620.809;
75 (cc) Missouri works program credits issued under sections 620.2000 to 620.2020;
76 (dd) Shared care tax credits issued under section 660.055.
77 (3) On or before October first of each year, each state department authorized by
78 law to offer tax credits before the date such tax credit program was sunset under this act
79 shall submit to the budget director the estimated amount of such tax credits that are
80 eligible to be redeemed under this act for the fiscal year beginning July first of the
81 following year. Such estimates shall be in the manner and form prescribed by the budget
82 director and shall be submitted by the budget director to the chairman of the senate
83 appropriations committee and the chairman of the house budget committee by January
84 first of each year.
85 (4) Any amount of any tax credit that is not redeemed in the period the
86 contribution was made under any tax credit program that is sunset under this act and that
87 is authorized to be carried forward over the taxpayer's ten subsequent taxable years shall
88 be redeemed only if a constitutional majority of the members of both chambers of the
89 general assembly have reviewed and approved the estimate of the total redeemable
90 amounts of such amounts eligible to be carried forward for the taxable year as provided
91 in this subsection.

67.3000. 1. As used in this section and section 67.3005, the following words shall mean:

2 (1) "Active member", an organization located in the state of Missouri which solicits and
3 services sports events, sports organizations, and other types of sports-related activities in that
4 community;

5 (2) "Applicant" or "applicants", one or more certified sponsors, endorsing counties,
6 endorsing municipalities, or a local organizing committee, acting individually or collectively;

7 (3) "Certified sponsor" or "certified sponsors", a nonprofit organization which is an
8 active member of the National Association of Sports Commissions;

9 (4) "Department", the Missouri department of economic development;

10 (5) "Director", the director of revenue;

11 (6) "Eligible costs" shall include:

12 (a) Costs necessary for conducting the sporting event;

13 (b) Costs relating to the preparations necessary for the conduct of the sporting event; and

14 (c) An applicant's pledged obligations to the site selection organization as evidenced by
15 the support contract for the sporting event.

16

17 "Eligible costs" shall not include any cost associated with the rehabilitation or construction of
18 any facilities used to host the sporting event or direct payments to a for-profit site selection
19 organization, but may include costs associated with the retrofitting of a facility necessary to
20 accommodate the sporting event;

21 (7) "Eligible donation", donations received, by a certified sponsor or local organizing
22 committee, from a taxpayer that may include cash, publicly traded stocks and bonds, and real
23 estate that will be valued and documented according to rules promulgated by the department.
24 Such donations shall be used solely to provide funding to attract sporting events to this state;

25 (8) "Endorsing municipality" or "endorsing municipalities", any city, town, incorporated
26 village, or county that contains a site selected by a site selection organization for one or more
27 sporting events;

28 (9) "Joinder agreement", an agreement entered into by one or more applicants, acting
29 individually or collectively, and a site selection organization setting out representations and
30 assurances by each applicant in connection with the selection of a site in this state for the
31 location of a sporting event;

32 (10) "Joinder undertaking", an agreement entered into by one or more applicants, acting
33 individually or collectively, and a site selection organization that each applicant will execute a
34 joinder agreement in the event that the site selection organization selects a site in this state for
35 a sporting event;

36 (11) "Local organizing committee", a nonprofit corporation or its successor in interest
37 that:

38 (a) Has been authorized by one or more certified sponsors, endorsing municipalities, or
39 endorsing counties, acting individually or collectively, to pursue an application and bid on its or
40 the applicant's behalf to a site selection organization for selection as the host of one or more
41 sporting events; or

42 (b) With the authorization of one or more certified sponsors, endorsing municipalities,
43 or endorsing counties, acting individually or collectively, executes an agreement with a site
44 selection organization regarding a bid to host one or more sporting events;

45 (12) "Site selection organization", the National Collegiate Athletic Association (NCAA);
46 an NCAA member conference, university, or institution; the National Association of
47 Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a national
48 governing body (NGB) or international federation of a sport recognized by the USOC; the United
49 States Golf Association (USGA); the United States Tennis Association (USTA); the Amateur
50 Softball Association of America (ASA); other major regional, national, and international sports
51 associations, and amateur organizations that promote, organize, or administer sporting games or
52 competitions; or other major regional, national, and international organizations that promote or
53 organize sporting events;

54 (13) "Sporting event" or "sporting events", an amateur or Olympic sporting event that
55 is competitively bid or is awarded by a site selection organization;

56 (14) "Support contract" or "support contracts", an event award notification, joinder
57 undertaking, joinder agreement, or contract executed by an applicant and a site selection
58 organization;

59 (15) "Tax credit" or "tax credits", a credit or credits issued by the department against the
60 tax otherwise due under chapter 143 or 148, excluding withholding tax imposed under sections
61 143.191 to 143.265;

62 (16) "Taxpayer", any of the following individuals or entities who make an eligible
63 donation:

64 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
65 doing business in the state of Missouri and subject to the state income tax imposed under chapter
66 143;

67 (b) A corporation subject to the annual corporation franchise tax imposed under chapter
68 147;

69 (c) An insurance company paying an annual tax on its gross premium receipts in this
70 state;

71 (d) Any other financial institution paying taxes to the state of Missouri or any political
72 subdivision of this state under chapter 148;

73 (e) An individual subject to the state income tax imposed under chapter 143;

74 (f) Any charitable organization which is exempt from federal income tax and whose
75 Missouri unrelated business taxable income, if any, would be subject to the state income tax
76 imposed under chapter 143.

77 2. An applicant may submit a copy of a support contract for a sporting event to the
78 department. Within sixty days of receipt of the sporting event support contract, the department
79 may review the applicant's support contract and certify such support contract if it complies with
80 the requirements of this section. Upon certification of the support contract by the department,
81 the applicant may be authorized to receive the tax credit under subsection 4 of this section.

82 3. No more than thirty days following the conclusion of the sporting event, the applicant
83 shall submit eligible costs and documentation of the costs evidenced by receipts, paid invoices,
84 or other documentation in a manner prescribed by the department.

85 4. No later than seven days following the conclusion of the sporting event, the
86 department, in consultation with the director, may determine the total number of tickets sold at
87 face value for such event. No later than sixty days following the receipt of eligible costs and
88 documentation of such costs from the applicant as required in subsection 3 of this section, the
89 department may issue a refundable tax credit to the applicant for the lesser of one hundred
90 percent of eligible costs incurred by the applicant or an amount equal to five dollars for every
91 admission ticket sold to such event. Tax credits authorized by this section may be claimed
92 against taxes imposed by chapters 143 and 148 and shall be claimed within one year of the close
93 of the taxable year for which the credits were issued. Tax credits authorized by this section may
94 be transferred, sold, or assigned by filing a notarized endorsement thereof with the department
95 that names the transferee, the amount of tax credit transferred, and the value received for the
96 credit, as well as any other information reasonably requested by the department.

97 5. In no event shall the amount of tax credits issued by the department under subsection
98 4 of this section exceed three million dollars in any fiscal year.

99 6. An applicant shall provide any information necessary as determined by the department
100 for the department and the director to fulfill the duties required by this section. At any time upon
101 the request of the state of Missouri, a certified sponsor shall subject itself to an audit conducted
102 by the state.

103 7. This section shall not be construed as creating or requiring a state guarantee of
104 obligations imposed on an endorsing municipality under a support contract or any other
105 agreement relating to hosting one or more sporting events in this state.

106 8. The department shall only certify an applicant's support contract for a sporting event
107 in which the site selection organization has yet to select a location for the sporting event as of
108 December 1, 2012. No support contract shall be certified unless the site selection organization
109 has chosen to use a location in this state from competitive bids, at least one of which was a bid

110 for a location outside of this state. Support contracts shall not be certified by the department
111 after August 28, [2019] **2014**, provided that the support contracts may be certified on or prior to
112 August 28, [2019] **2014**, for sporting events that will be held after such date.

113 9. The department may promulgate rules as necessary to implement the provisions of this
114 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
115 under the authority delegated in this section shall become effective only if it complies with and
116 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
117 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
118 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
119 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
120 proposed or adopted after August 28, 2013, shall be invalid and void.

67.3005. 1. For all taxable years beginning on or after January 1, 2013, any taxpayer
2 shall be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148,
3 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty
4 percent of the amount of an eligible donation, subject to the restrictions in this section. The
5 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax
6 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer
7 is prohibited by this section from claiming in a tax year shall not be refundable, but may be
8 carried forward to any of the taxpayer's two subsequent taxable years.

9 2. To claim the credit authorized in this section, a certified sponsor or local organizing
10 committee shall submit to the department an application for the tax credit authorized by this
11 section on behalf of taxpayers. The department shall verify that the applicant has submitted the
12 following items accurately and completely:

13 (1) A valid application in the form and format required by the department;

14 (2) A statement attesting to the eligible donation received, which shall include the name
15 and taxpayer identification number of the individual making the eligible donation, the amount
16 of the eligible donation, and the date the eligible donation was received; and

17 (3) Payment from the certified sponsor or local organizing committee equal to the value
18 of the tax credit for which application is made.

19

20 If the certified sponsor or local organizing committee applying for the tax credit meets all criteria
21 required by this subsection, the department shall issue a certificate in the appropriate amount.

22 3. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
23 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
24 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a
25 notarized endorsement shall be filed with the department specifying the name and address of the

26 new owner of the tax credit or the value of the credit. In no event shall the amount of tax credits
27 issued by the department under this section exceed ten million dollars in any fiscal year.

28 4. The department shall promulgate rules to implement the provisions of this section.
29 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
30 authority delegated in this section shall become effective only if it complies with and is subject
31 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
32 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
33 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
34 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
35 or adopted after August 28, 2013, shall be invalid and void.

36 5. Under section 23.253 of the Missouri sunset act:

37 (1) The provisions of the new program authorized under section 67.3000 and under this
38 section shall [automatically] sunset [six years after August 28, 2013, unless reauthorized by an
39 act of the general assembly; and

40 (2) If such program is reauthorized, the program authorized under section 67.3000 and
41 under this section shall automatically sunset twelve years after the effective date of the
42 reauthorization of these sections] **on August 28, 2014;** and

43 [(3)] **(2)** Section 67.3000 and this section shall terminate on September first of the
44 calendar year immediately following the calendar year in which the program authorized under
45 these sections is sunset. **Any tax credit issued under section 67.3000 and this section before**
46 **August 28, 2014, that is not redeemed in the tax period for which the tax credit was claimed**
47 **may be carried forward as provided in section 67.3000 and this section.**

100.286. 1. Within the discretion of the board, the development and reserve fund, the
2 infrastructure development fund or the export finance fund may be pledged to secure the payment
3 of any bonds or notes issued by the board, or to secure the payment of any loan made by the
4 board or a participating lender which loan:

5 (1) Is requested to finance any project or export trade activity;

6 (2) Is requested by a borrower who is demonstrated to be financially responsible;

7 (3) Can reasonably be expected to provide a benefit to the economy of this state;

8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or
9 other security satisfactory to the board; provided that loans to finance export trade activities may
10 be secured by export accounts receivable or inventories of exportable goods satisfactory to the
11 board;

12 (5) Does not exceed five million dollars;

13 (6) Does not have a term longer than five years if such loan is made to finance export
14 trade activities; and

15 (7) Is, when used to finance export trade activities, made to small or medium size
16 businesses or agricultural businesses, as may be defined by the board.

17 2. The board shall prescribe standards for the evaluation of the financial condition,
18 business history, and qualifications of each borrower and the terms and conditions of loans which
19 may be secured, and may require each application to include a financial report and evaluation
20 by an independent certified public accounting firm, in addition to such examination and
21 evaluation as may be conducted by any participating lender.

22 3. Each application for a loan secured by the development and reserve fund, the
23 infrastructure development fund or the export finance fund shall be reviewed in the first instance
24 by any participating lender to whom the application was submitted. If satisfied that the standards
25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the
26 development and reserve fund, the infrastructure development fund or the export finance fund,
27 the participating lender shall certify the same and forward the application for final approval to
28 the board.

29 4. The securing of any loans by the development and reserve fund, the infrastructure
30 development fund or the export finance fund shall be conditioned upon approval of the
31 application by the board, and receipt of an annual reserve participation fee, as prescribed by the
32 board, submitted by or on behalf of the borrower.

33 5. The securing of any loan by the export finance fund for export trade activities shall
34 be conditioned upon the board's compliance with any applicable treaties and international
35 agreements, such as the general agreement on tariffs and trade and the subsidies code, to which
36 the United States is then a party.

37 6. Any taxpayer, including any charitable organization that is exempt from federal
38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to
39 the state income tax imposed under chapter 143, may, subject to the limitations provided under
40 subsection 8 of this section, receive a tax credit against any tax otherwise due under the
41 provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
42 chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money
43 or property by the taxpayer to the development and reserve fund, the infrastructure development
44 fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax
45 credits awarded in any calendar year beginning after January 1, 1994, shall not be the greater of
46 ten million dollars or five percent of the average growth in general revenue receipts in the
47 preceding three fiscal years. This limit may be exceeded only upon joint agreement by the
48 commissioner of administration, the director of the department of economic development, and
49 the director of the department of revenue that such action is essential to ensure retention or
50 attraction of investment in Missouri. If the board receives, as a contribution, real property, the

51 contributor at such contributor's own expense shall have two independent appraisals conducted
52 by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to
53 the board, and the tax credit certified by the board to the contributor shall be based upon the
54 value of the lower of the two appraisals. The board shall not certify the tax credit until the
55 property is deeded to the board. Such credit shall not apply to reserve participation fees paid by
56 borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds
57 the taxpayer's tax liability may be carried forward for up to five years.

58 7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,
59 exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under
60 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,
61 hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or
62 otherwise transfer earned tax credits:

63 (1) For no less than seventy-five percent of the par value of such credits; and

64 (2) In an amount not to exceed one hundred percent of annual earned credits. The
65 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
66 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
67 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
68 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward
69 for up to five years, provided all such credits shall be claimed within ten years following the tax
70 years in which the contribution was made. The assignor shall enter into a written agreement with
71 the assignee establishing the terms and conditions of the agreement and shall perfect such
72 transfer by notifying the board in writing within thirty calendar days following the effective day
73 of the transfer and shall provide any information as may be required by the board to administer
74 and carry out the provisions of this section. Notwithstanding any other provision of law to the
75 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the
76 assignor, and the excess of the par value of such credit over the amount paid by the assignee for
77 such credit shall be taxable as income of the assignee.

78 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no
79 more than ten million dollars in tax credits provided under this section, may be authorized or
80 approved annually. The limitation on tax credit authorization and approval provided under this
81 subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly
82 notarized letter, by the commissioner of the office of administration, the director of the
83 department of economic development, and the director of the department of revenue that such
84 action is essential to ensure retention or attraction of investment in Missouri provided, however,
85 that in no case shall more than twenty-five million dollars in tax credits be authorized or
86 approved during such year. Taxpayers shall file, with the board, an application for tax credits

87 authorized under this section on a form provided by the board. The provisions of this subsection
88 shall not be construed to limit or in any way impair the ability of the board to authorize tax
89 credits for issuance for projects authorized or approved, by a vote of the board, on or before the
90 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax
91 credits.

92 **9. Notwithstanding any other provision of law to the contrary, no tax credits shall**
93 **be authorized under sections 100.250 to 100.297 on or after August 28, 2014, or issued after**
94 **December 31, 2015, and any such tax credit issued before January 1, 2016, that is not**
95 **redeemed in the period the contribution was made may be carried forward as provided in**
96 **this section.**

100.297. 1. The board may authorize a tax credit, as described in this section, to the
2 owner of any revenue bonds or notes issued by the board pursuant to the provisions of sections
3 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section 100.255,
4 if, prior to the issuance of such bonds or notes, the board determines that:

5 (1) The availability of such tax credit is a material inducement to the undertaking of the
6 project in the state of Missouri and to the sale of the bonds or notes;

7 (2) The loan with respect to the project is adequately secured by a first deed of trust or
8 mortgage or comparable lien, or other security satisfactory to the board.

9 2. Upon making the determinations specified in subsection 1 of this section, the board
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any
11 other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due
12 by such owner pursuant to the provisions of chapter 143, excluding withholding tax imposed by
13 sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred percent
14 of the unpaid principal of and unpaid interest on such bonds or notes held by such owner in the
15 taxable year of such owner following the calendar year of the default of the loan by the borrower
16 with respect to the project. The occurrence of a default shall be governed by documents
17 authorizing the issuance of the bonds. The tax credit allowed pursuant to this section shall be
18 available to the original owners of the bonds or notes or any subsequent owner or owners thereof.
19 Once an owner is entitled to a claim, any such tax credits shall be transferable as provided in
20 subsection 7 of section 100.286. Notwithstanding any provision of Missouri law to the contrary,
21 any portion of the tax credit to which any owner of a revenue bond or note is entitled pursuant
22 to this section which exceeds the total income tax liability of such owner of a revenue bond or
23 note shall be carried forward and allowed as a credit against any future taxes imposed on such
24 owner within the next ten years pursuant to the provisions of chapter 143, excluding withholding
25 tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. The eligibility of the
26 owner of any revenue bond or note issued pursuant to the provisions of sections 100.250 to

27 100.297 for the tax credit provided by this section shall be expressly stated on the face of each
28 such bond or note. The tax credit allowed pursuant to this section shall also be available to any
29 financial institution or guarantor which executes any credit facility as security for bonds issued
30 pursuant to this section to the same extent as if such financial institution or guarantor was an
31 owner of the bonds or notes, provided however, in such case the tax credits provided by this
32 section shall be available immediately following any default of the loan by the borrower with
33 respect to the project. In addition to reimbursing the financial institution or guarantor for claims
34 relating to unpaid principal and interest, such claim may include payment of any unpaid fees
35 imposed by such financial institution or guarantor for use of the credit facility.

36 3. The aggregate principal amount of revenue bonds or notes outstanding at any time
37 with respect to which the tax credit provided in this section shall be available shall not exceed
38 fifty million dollars.

39 **4. Notwithstanding any other provision of law to the contrary, no new tax credits**
40 **shall be authorized under this section on or after August 28, 2014, and any tax credit that**
41 **was authorized before August 28, 2014, that is available to any financial institution or**
42 **guarantor that executes any credit facility as security for bonds issued under this section**
43 **shall be available as required under the security terms of such bonds.**

100.780. The board shall determine the amount and duration of a project and its
2 associated assessments, credits and refunds. The credit amount may not exceed the estimated
3 assessment. **Except as provided in this section, assessments made for any project may not**
4 **exceed a period of fifteen years. For any credit amount issued for a project on or after**
5 **August 28, 2014, assessments made for any project shall not exceed a period of ten years.**

100.850. 1. The approved company shall remit to the board a job development
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee whose
3 job was created as a result of the economic development project, or not to exceed ten percent if
4 the economic development project is located within a distressed community as defined in section
5 135.530, for the purpose of retiring bonds which fund the economic development project.

6 2. Any approved company remitting an assessment as provided in subsection 1 of this
7 section shall make its payroll books and records available to the board at such reasonable times
8 as the board shall request and shall file with the board documentation respecting the assessment
9 as the board may require.

10 3. Any assessment remitted pursuant to subsection 1 of this section shall cease on the
11 date the bonds are retired.

12 4. Any approved company which has paid an assessment for debt reduction shall be
13 allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed
14 against taxes otherwise imposed by chapters 143 and 148, except withholding taxes imposed

15 under the provisions of sections 143.191 to 143.265, which were incurred during the tax period
16 in which the assessment was made.

17 5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this
18 section exceed twenty-five million dollars annually. Of such amount, nine hundred fifty
19 thousand dollars shall be reserved for an approved project for a world headquarters of a business
20 whose primary function is tax return preparation that is located in any home rule city with more
21 than four hundred thousand inhabitants and located in more than one county, which amount
22 reserved shall end in the year of the final maturity of the certificates issued for such approved
23 project.

24 6. The director of revenue shall issue a refund to the approved company to the extent that
25 the amount of credits allowed in subsection 4 of this section exceeds the amount of the approved
26 company's income tax.

27 **7. Notwithstanding any other provision of law to the contrary, no new tax credits**
28 **shall be authorized under sections 100.700 to 100.850 on or after August 28, 2014, and any**
29 **tax credit that was issued under any contract entered into under sections 100.700 to**
30 **100.850 shall be available as provided under the terms of such contract.**

135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

2 (1) "Claimant", a person or persons claiming a credit **or deduction** under sections
3 135.010 to 135.030. If the persons are eligible to file a joint federal income tax return and reside
4 at the same address at any time during the taxable year, then the credit **or deduction** may only
5 be allowed if claimed on a combined Missouri income tax return or a combined claim return
6 reporting their combined incomes and property taxes. A claimant shall not be allowed a property
7 tax credit **or deduction** unless the claimant or spouse has attained the age of sixty-five on or
8 before the last day of the calendar year and the claimant or spouse was a resident of Missouri for
9 the entire year, or the claimant or spouse is a veteran of any branch of the Armed Forces of the
10 United States or this state who became one hundred percent disabled as a result of such service,
11 or the claimant or spouse is disabled as defined in subdivision (2) of this section, and such
12 claimant or spouse provides proof of such disability in such form and manner, and at such times,
13 as the director of revenue may require, or if the claimant has reached the age of sixty on or before
14 the last day of the calendar year and such claimant received surviving spouse Social Security
15 benefits during the calendar year and the claimant provides proof, as required by the director of
16 revenue, that the claimant received surviving spouse Social Security benefits during the calendar
17 year for which the credit **or deduction** will be claimed. A claimant shall not be allowed a
18 property tax credit **or deduction** if the claimant filed a valid claim for a credit under section
19 137.106 in the year following the year for which the property tax credit **or deduction** is claimed.
20 The residency requirement shall be deemed to have been fulfilled for the purpose of determining

21 the eligibility of a surviving spouse for a property tax credit **or deduction** if a person of the age
22 of sixty-five years or older who would have otherwise met the requirements for a property tax
23 credit **or deduction** dies before the last day of the calendar year. The residency requirement
24 shall also be deemed to have been fulfilled for the purpose of determining the eligibility of a
25 claimant who would have otherwise met the requirements for a property tax credit **or deduction**
26 but who dies before the last day of the calendar year;

27 (2) "Disabled", the inability to engage in any substantial gainful activity by reason of any
28 medically determinable physical or mental impairment which can be expected to result in death
29 or which has lasted or can be expected to last for a continuous period of not less than twelve
30 months. A claimant shall not be required to be gainfully employed prior to such disability to
31 qualify for a property tax credit **or deduction**;

32 (3) "Gross rent", amount paid by a claimant to a landlord for the rental, at arm's length,
33 of a homestead during the calendar year, exclusive of charges for health and personal care
34 services and food furnished as part of the rental agreement, whether or not expressly set out in
35 the rental agreement. If the director of revenue determines that the landlord and tenant have not
36 dealt at arm's length, and that the gross rent is excessive, then [he] **the director** shall determine
37 the gross rent based upon a reasonable amount of rent. Gross rent shall be deemed to be paid
38 only if actually paid prior to the date a return is filed. The director of revenue may prescribe
39 regulations requiring a return of information by a landlord receiving rent, certifying for a
40 calendar year the amount of gross rent received from a tenant claiming a property tax credit **or**
41 **deduction** and shall, by regulation, provide a method for certification by the claimant of the
42 amount of gross rent paid for any calendar year for which a claim is made. The regulations
43 authorized by this subdivision may require a landlord or a tenant or both to provide data relating
44 to health and personal care services and to food. Neither a landlord nor a tenant may be required
45 to provide data relating to utilities, furniture, home furnishings or appliances;

46 (4) "Homestead", the dwelling in Missouri owned or rented by the claimant and not to
47 exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a
48 home. It may consist of part of a multidwelling or multipurpose building and part of the land
49 upon which it is built. "Owned" includes a vendee in possession under a land contract and one
50 or more tenants by the entireties, joint tenants, or tenants in common and includes a claimant
51 actually in possession if he was the immediate former owner of record, if a lineal descendant is
52 presently the owner of record, and if the claimant actually pays all taxes upon the property. It
53 may include a mobile home;

54 (5) "Income", Missouri adjusted gross income as defined in section 143.121 less two
55 thousand dollars, or in the case of a homestead owned and occupied, for the entire year, by the

56 claimant, less four thousand dollars as an exemption for the claimant's spouse residing at the
57 same address, and increased, where necessary, to reflect the following:

58 (a) Social Security, railroad retirement, and veterans payments and benefits unless the
59 claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one
60 hundred percent service-connected, disabled veteran. The one hundred percent
61 service-connected disabled veteran shall not be required to list veterans payments and benefits;

62 (b) The total amount of all other public and private pensions and annuities;

63 (c) Public relief, public assistance, and unemployment benefits received in cash, other
64 than benefits received under this chapter;

65 (d) No deduction being allowed for losses not incurred in a trade or business;

66 (e) Interest on the obligations of the United States, any state, or any of their subdivisions
67 and instrumentalities;

68 (6) "Property taxes accrued", property taxes paid, exclusive of special assessments,
69 penalties, interest, and charges for service levied on a claimant's homestead in any calendar year.
70 Property taxes shall qualify for the credit **or deduction** only if actually paid prior to the date a
71 return is filed. The director of revenue shall require a tax receipt or other proof of property tax
72 payment. If a homestead is owned only partially by claimant, then "property taxes accrued" is
73 that part of property taxes levied on the homestead which was actually paid by the claimant. For
74 purposes of this subdivision, property taxes are "levied" when the tax roll is delivered to the
75 director of revenue for collection. If a claimant owns a homestead part of the preceding calendar
76 year and rents it or a different homestead for part of the same year, "property taxes accrued"
77 means only taxes levied on the homestead both owned and occupied by the claimant, multiplied
78 by the percentage of twelve months that such property was owned and occupied as the homestead
79 of the claimant during the year. When a claimant owns and occupies two or more different
80 homesteads in the same calendar year, property taxes accrued shall be the sum of taxes allocable
81 to those several properties occupied by the claimant as a homestead for the year. If a homestead
82 is an integral part of a larger unit such as a farm, or multipurpose or multidwelling building,
83 property taxes accrued shall be that percentage of the total property taxes accrued as the value
84 of the homestead is of the total value. For purposes of this subdivision "unit" refers to the parcel
85 of property covered by a single tax statement of which the homestead is a part;

86 (7) "Rent constituting property taxes accrued", twenty percent of the gross rent paid by
87 a claimant and spouse in the calendar year.

135.015. Procedural matters related to filing a claim under sections 135.010 to 135.030,
2 including refunds, deficiencies, interest, contents of returns, limitations, and penalties shall be
3 determined pursuant to sections 143.481 to 143.996 applicable to the income tax. The credit **or**
4 **deduction** regarding the property taxes of a calendar year may only be claimed on a return for

5 the calendar year or for a claimant's return for a fiscal year that includes the end of the calendar
6 year.

135.020. A credit **or deduction** for property taxes shall be allowed for the amount
2 provided in section 135.030. If the amount allowable as a credit exceeds the income tax reduced
3 by other credits, then the excess shall be considered an overpayment of the income tax.

135.025. The property taxes accrued and rent constituting property taxes accrued on each
2 return shall be totaled. This total, up to seven hundred fifty dollars in rent constituting property
3 taxes actually paid or eleven hundred dollars in actual property tax paid, shall be used in
4 determining the property tax credit **or deduction**. The director of revenue shall prescribe
5 regulations providing for allocations where part of a claimant's homestead is rented to another
6 or used for nondwelling purposes or where a homestead is owned or rented or used as a dwelling
7 for part of a year.

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after December 31,
3 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar
4 years beginning on or after January 1, 2008, the maximum upper limit shall be the sum of
5 twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for
6 the entire year by the claimant, the maximum upper limit shall be the sum of thirty thousand
7 dollars;

8 (2) The term "minimum base" shall, for each calendar year after December 31, 1997, but
9 before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years
10 beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand
11 three hundred dollars.

12 2. **For all taxable years ending on or before December 31, 2013**, if the income on a
13 return is equal to or less than the maximum upper limit for the calendar year for which the return
14 is filed, the property tax credit shall be determined from a table of credits based upon the amount
15 by which the total property tax described in section 135.025 exceeds the percent of income in
16 the following list:

17

18 If the income on the return is:	The percent is:
19 Not over the minimum base	0 percent with credit
20	not to exceed \$1,100
21	in actual property tax
22	or rent equivalent paid
23	up to \$750
24	

25 Over the minimum base but 1/16 percent accumulative per
26 \$300 from limit
27 not over the maximum upper 0 percent to 4 percent.
28

29 The director of revenue shall prescribe a table based upon the preceding sentences. The property
30 tax shall be in increments of twenty-five dollars and the income in increments of three hundred
31 dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the
32 basis of the property tax and income at the midpoints of each increment. As used in this
33 subsection, the term "accumulative" means an increase by continuous or repeated application of
34 the percent to the income increment at each three hundred dollar level.

35 3. Notwithstanding subsection 4 of section 32.057, the department of revenue or any
36 duly authorized employee or agent shall determine whether any taxpayer filing a report or return
37 with the department of revenue who has not applied for the credit **or deduction** allowed pursuant
38 to section 135.020 may qualify for the credit **or deduction**, and shall notify any qualified
39 claimant of the claimant's potential eligibility, where the department determines such potential
40 eligibility exists.

41 **4. (1) For all taxable years beginning on or after January 1, 2014, no credit shall**
42 **be allowed under this section, but any claimant shall be eligible to claim a deduction as**
43 **allowed under this section.**

44 **(2) As used in this subsection, the following terms mean:**

45 **(a) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted**
46 **gross income to determine Missouri taxable income for the tax year in which such**
47 **deduction is claimed;**

48 **(b) "Taxpayer", any individual subject to the income tax imposed in chapter 143**
49 **who qualifies as a claimant.**

50 **(3) In addition to all deductions provided by law, for all taxable years beginning**
51 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for property taxes**
52 **accrued and rent constituting property taxes accrued. The amount of such deduction shall**
53 **be equal to the amount of the tax credit the claimant would receive under the calculations**
54 **for the tax credit under this section if a tax credit were allowed after December 31, 2013.**
55 **All deductions allowed under this subsection shall be subject to the same procedures and**
56 **requirements for taxpayers claiming tax credits under this section, and shall be**
57 **administered as other tax deductions are administered as provided by law.**

135.090. 1. As used in this section, the following terms mean:

2 **(1) "Homestead", the dwelling in Missouri owned by the surviving spouse and not**
3 **exceeding five acres of land surrounding it as is reasonably necessary for use of the dwelling as**

4 a home. As used in this section, "homestead" shall not include any dwelling which is occupied
5 by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police officer, parole
7 officer, probation officer, correctional employee, water patrol officer, park ranger, conservation
8 officer, commercial motor **vehicle** enforcement officer, emergency medical technician, first
9 responder, or highway patrolman employed by the state of Missouri or a political subdivision
10 thereof who is killed in the line of duty, unless the death was the result of the officer's own
11 misconduct or abuse of alcohol or drugs;

12 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety officer.

13 2. For all tax years beginning on or after January 1, 2008, **but ending on or before**
14 **December 31, 2013**, a surviving spouse shall be allowed a credit against the tax otherwise due
15 under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an
16 amount equal to the total amount of the property taxes on the surviving spouse's homestead paid
17 during the tax year for which the credit is claimed. A surviving spouse may claim the credit
18 authorized under this section for each tax year beginning the year of death of the public safety
19 officer spouse until the tax year in which the surviving spouse remarries. No credit shall be
20 allowed for the tax year in which the surviving spouse remarries. If the amount allowable as a
21 credit exceeds the income tax reduced by other credits, then the excess shall be considered an
22 overpayment of the income tax.

23 3. The department of revenue shall promulgate rules to implement the provisions of this
24 section.

25 [4.] Any rule or portion of a rule, as that term is defined in section 536.010, that is
26 created under the authority delegated in this section shall become effective only if it complies
27 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
28 This section and chapter 536 are nonseverable and if any of the powers vested with the general
29 assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
30 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and
31 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

32 [5. Pursuant to section 23.253 of the Missouri sunset act:

33 (1) The program authorized under this section shall expire on December 31, 2019, unless
34 reauthorized by the general assembly; and

35 (2) This section shall terminate on September first of the calendar year immediately
36 following the calendar year in which the program authorized under this section is sunset; and

37 (3) The provisions of this subsection shall not be construed to limit or in any way impair
38 the department's ability to redeem tax credits authorized on or before the date the program
39 authorized under this section expires or a taxpayer's ability to redeem such tax credits.] 4. (1)

40 **For all taxable years beginning on or after January 1, 2014, no credit shall be allowed**
41 **under this section, but any surviving spouse shall be eligible to claim a deduction as**
42 **allowed under this section.**

43 **(2) As used in this subsection, the following terms mean:**

44 **(a) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted**
45 **gross income to determine Missouri taxable income for the tax year in which such**
46 **deduction is claimed;**

47 **(b) "Taxpayer", any individual subject to the income tax imposed in chapter 143**
48 **who qualifies as a claimant.**

49 **(3) In addition to all deductions provided by law, for all taxable years beginning**
50 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for property taxes**
51 **paid on the surviving spouse's homestead. The amount of such deduction shall be equal**
52 **to the amount of the tax credit the surviving spouse would receive under the calculations**
53 **for the tax credit under this section if a tax credit were allowed after December 31, 2013.**
54 **All deductions allowed under this subsection shall be subject to the same procedures and**
55 **requirements for taxpayers claiming tax credits under this section, and shall be**
56 **administered as other tax deductions are administered as provided by law.**

135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed
2 a credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this
3 section, whichever is applicable, against the tax imposed by chapter 143, excluding withholding
4 tax imposed by sections 143.191 to 143.265, or an insurance company which shall establish a
5 new business facility by satisfying the requirements in subdivision (7) of section 135.100 shall
6 be allowed a credit against the tax otherwise imposed by chapter 148, and in the case of an
7 insurance company exempt from the thirty percent employee requirement of section 135.230,
8 against any obligation imposed pursuant to section 375.916, except that no taxpayer shall be
9 entitled to multiple ten-year periods for subsequent expansions at the same facility, except as
10 otherwise provided in this section. For the purpose of this section, the term "facility" shall mean,
11 and be limited to, the facility or facilities which are located on the same site in which the new
12 business facility is located, and in which the business conducted at such facility or facilities is
13 directly related to the business conducted at the new business facility. Notwithstanding the
14 provisions of this subsection, a taxpayer may be entitled to an additional ten-year period if a new
15 business facility is expanded in the eighth, ninth or tenth year of the current ten-year period or
16 in subsequent years following the expiration of the ten-year period, if the number of new
17 business facility employees attributed to such expansion is at least twenty-five and the amount
18 of new business facility investment attributed to such expansion is at least one million dollars.
19 Credits may not be carried forward but shall be claimed for the taxable year during which

20 commencement of commercial operations occurs at such new business facility, and for each of
21 the nine succeeding taxable years. A letter of intent, as provided for in section 135.258, must
22 be filed with the department of economic development no later than fifteen days prior to the
23 commencement of commercial operations at the new business facility. The initial application
24 for claiming tax credits must be made in the taxpayer's tax period immediately following the tax
25 period in which commencement of commercial operations began at the new business facility.
26 This provision shall have effect on all initial applications filed on or after August 28, 1992. No
27 credit shall be allowed pursuant to this section unless the number of new business facility
28 employees engaged or maintained in employment at the new business facility for the taxable year
29 for which the credit is claimed equals or exceeds two; except that the number of new business
30 facility employees engaged or maintained in employment by a revenue-producing enterprise
31 other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of
32 subdivision (11) of section 135.100 which establishes an office as defined in subdivision (8) of
33 section 135.100 shall equal or exceed twenty-five.

34 2. For tax periods beginning after August 28, 1991, in the case of a taxpayer operating
35 an existing business facility, the credit allowed by subsection 1 of this section shall offset the
36 greater of:

37 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding
38 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company,
39 the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance
40 company exempt from the thirty percent employee requirement of section 135.230, against any
41 obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business
42 facility income for the taxable year for which such credit is allowed; or

43 (2) Up to fifty percent or, in the case of an economic development project located within
44 a distressed community as defined in section 135.530, seventy-five percent of the business
45 income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections
46 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as
47 defined in chapter 148, and in the case of an insurance company exempt from the thirty percent
48 employee requirement of section 135.230, against any obligation imposed pursuant to section
49 375.916 if the business operates no other facilities in Missouri. In the case of an existing
50 business facility operating more than one facility in Missouri, the credit allowed in subsection
51 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this
52 subsection or twenty-five percent or, in the case of an economic development project located
53 within a distressed community as defined in section 135.530, thirty-five percent of the business'
54 tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to
55 offset more than twenty-five percent or, in the case of an economic development project located

56 within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's
57 business income tax in any tax period under the method prescribed in this subdivision. Such
58 credit shall be an amount equal to the sum of one hundred dollars or, in the case of an economic
59 development project located within a distressed community as defined in section 135.530, one
60 hundred fifty dollars for each new business facility employee plus one hundred dollars or, in the
61 case of an economic development project located within a distressed community as defined in
62 section 135.530, one hundred fifty dollars for each one hundred thousand dollars, or major
63 fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility
64 investment. For the purpose of this section, tax credits earned by a taxpayer, who establishes a
65 new business facility because it satisfies the requirements of paragraph (c) of subdivision (4) of
66 section 135.100, shall offset the greater of the portion prescribed in subdivision (1) of this
67 subsection or up to fifty percent or, in the case of an economic development project located
68 within a distressed community as defined in section 135.530, seventy-five percent of the
69 business' tax provided the business operates no other facilities in Missouri. In the case of a
70 business operating more than one facility in Missouri, the credit allowed in subsection 1 of this
71 section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection
72 or twenty-five percent or, in the case of an economic development project located within a
73 distressed community as defined in section 135.530, thirty-five percent of the business' tax,
74 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset
75 more than twenty-five percent or, in the case of an economic development project located within
76 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's
77 business income tax in any tax period under the method prescribed in this subdivision.

78 3. For tax periods beginning after August 28, 1991, in the case of a taxpayer not
79 operating an existing business facility, the credit allowed by subsection 1 of this section shall
80 offset the greater of:

81 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding
82 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company,
83 the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance
84 company exempt from the thirty percent employee requirement of section 135.230, against any
85 obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business
86 facility income for the taxable year for which such credit is allowed; or

87 (2) Up to one hundred percent of the business income tax otherwise imposed by chapter
88 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an
89 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case
90 of an insurance company exempt from the thirty percent employee requirement of section
91 135.230, against any obligation imposed pursuant to section 375.916 if the business has no other

92 facilities operating in Missouri. In the case of a taxpayer not operating an existing business and
93 operating more than one facility in Missouri, the credit allowed by subsection 1 of this section
94 shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or
95 twenty-five percent or, in the case of an economic development project located within a
96 distressed community as defined in section 135.530, thirty-five percent of the business' tax,
97 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset
98 more than twenty-five percent or, in the case of an economic development project located within
99 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's
100 business income tax in any tax period under the method prescribed in this subdivision. Such
101 credit shall be an amount equal to the sum of seventy-five dollars or, in the case of an economic
102 development project located within a distressed community as defined in section 135.530, one
103 hundred twenty-five dollars for each new business facility employee plus seventy-five dollars
104 or, in the case of an economic development project located within a distressed community as
105 defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand
106 dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new
107 business facility investment.

108 4. The number of new business facility employees during any taxable year shall be
109 determined by dividing by twelve the sum of the number of individuals employed on the last
110 business day of each month of such taxable year. If the new business facility is in operation for
111 less than the entire taxable year, the number of new business facility employees shall be
112 determined by dividing the sum of the number of individuals employed on the last business day
113 of each full calendar month during the portion of such taxable year during which the new
114 business facility was in operation by the number of full calendar months during such period. For
115 the purpose of computing the credit allowed by this section in the case of a facility which
116 qualifies as a new business facility because it qualifies as a separate facility pursuant to
117 subsection 6 of this section, and, in the case of a new business facility which satisfies the
118 requirements of paragraph (c) of subdivision (4) of section 135.100, or subdivision (10) of
119 section 135.100, the number of new business facility employees at such facility shall be reduced
120 by the average number of individuals employed, computed as provided in this subsection, at the
121 facility during the taxable year immediately preceding the taxable year in which such expansion,
122 acquisition, or replacement occurred and shall further be reduced by the number of individuals
123 employed by the taxpayer or related taxpayer that was subsequently transferred to the new
124 business facility from another Missouri facility and for which credits authorized in this section
125 are not being earned, whether such credits are earned because of an expansion, acquisition,
126 relocation or the establishment of a new facility.

127 5. For the purpose of computing the credit allowed by this section in the case of a facility
128 which qualifies as a new business facility because it qualifies as a separate facility pursuant to
129 subsection 6 of this section, and, in the case of a new business facility which satisfies the
130 requirements of paragraph (c) of subdivision (4) of section 135.100 or subdivision (10) of section
131 135.100, the amount of the taxpayer's new business facility investment in such facility shall be
132 reduced by the average amount, computed as provided in subdivision (7) of section 135.100 for
133 new business facility investment, of the investment of the taxpayer, or related taxpayer
134 immediately preceding such expansion or replacement or at the time of acquisition.
135 Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced
136 by the amount of investment employed by the taxpayer or related taxpayer which was
137 subsequently transferred to the new business facility from another Missouri facility and for which
138 credits authorized in this section are not being earned, whether such credits are earned because
139 of an expansion, acquisition, relocation or the establishment of a new facility.

140 6. If a facility, which does not constitute a new business facility, is expanded by the
141 taxpayer, the expansion shall be considered a separate facility eligible for the credit allowed by
142 this section if:

143 (1) The taxpayer's new business facility investment in the expansion during the tax
144 period in which the credits allowed in this section are claimed exceeds one hundred thousand
145 dollars, or, if less, one hundred percent of the investment in the original facility prior to
146 expansion and if the number of new business facility employees engaged or maintained in
147 employment at the expansion facility for the taxable year for which credit is claimed equals or
148 exceeds two, except that the number of new business facility employees engaged or maintained
149 in employment at the expansion facility for the taxable year for which the credit is claimed
150 equals or exceeds twenty-five if an office as defined in subdivision (8) of section 135.100 is
151 established by a revenue-producing enterprise other than a revenue-producing enterprise defined
152 in paragraphs (a) to (g) and (i) to (l) of subdivision (11) of section 135.100 and the total number
153 of employees at the facility after the expansion is at least two greater than the total number of
154 employees before the expansion, except that the total number of employees at the facility after
155 the expansion is at least greater than the number of employees before the expansion by
156 twenty-five, if an office as defined in subdivision (8) of section 135.100 is established by a
157 revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs
158 (a) to (g) and (i) to (l) of subdivision (11) of section 135.100; and

159 (2) The expansion otherwise constitutes a new business facility. The taxpayer's
160 investment in the expansion and in the original facility prior to expansion shall be determined
161 in the manner provided in subdivision (7) of section 135.100.

162 7. No credit shall be allowed pursuant to this section to a public utility, as such term is
163 defined in section 386.020. Notwithstanding any provision of this subsection to the contrary,
164 motor carriers, barge lines or railroads engaged in transporting property for hire, or any
165 interexchange telecommunications company or local exchange telecommunications company
166 that establishes a new business facility shall be eligible to qualify for credits allowed in this
167 section.

168 8. For the purposes of the credit described in this section, in the case of a corporation
169 described in section 143.471 or partnership, in computing Missouri's tax liability, this credit shall
170 be allowed to the following:

171 (1) The shareholders of the corporation described in section 143.471;

172 (2) The partners of the partnership. This credit shall be apportioned to the entities
173 described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership
174 on the last day of the taxpayer's tax period.

175 9. Notwithstanding any provision of law to the contrary, any employee-owned
176 engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting
177 firm classified SIC 8721 establishing a new business facility because it qualifies as a
178 headquarters as defined in subsection 10 of this section, shall be allowed the credits described
179 in subsection 11 of this section under the same terms and conditions prescribed in sections
180 135.100 to 135.150; provided:

181 (1) Such facility maintains an average of at least five hundred new business facility
182 employees as defined in subdivision (5) of section 135.100 during the taxpayer's tax period in
183 which such credits are being claimed; and

184 (2) Such facility maintains an average of at least twenty million dollars in new business
185 facility investment as defined in subdivision (7) of section 135.100 during the taxpayer's tax
186 period in which such credits are being claimed.

187 10. For the purpose of the credits allowed in subsection 9 of this section:

188 (1) "Employee-owned" means the business employees own directly or indirectly,
189 including through an employee stock ownership plan or trust at least:

190 (a) Seventy-five percent of the total business stock, if the taxpayer is a corporation
191 described in section 143.441; or

192 (b) One hundred percent of the interest in the business if the taxpayer is a corporation
193 described in section 143.471, a partnership, or a limited liability company; and

194 (2) "Headquarters" means:

195 (a) The administrative management of at least three integrated facilities operated by the
196 taxpayer or related taxpayer; and

(b) The taxpayer's business has been headquartered in this state for more than fifty years.

11. The tax credits allowed in subsection 9 of this section shall be the greater of:

(1) Four hundred dollars for each new business facility employee as computed in subsection 4 of this section and four percent of new business facility investment as computed in subsection 5 of this section; or

(2) Five hundred dollars for each new business facility employee as computed in subsection 4 of this section, and five hundred dollars of each one hundred thousand dollars of new business facility investment as computed in subsection 5 of this section.

12. For the purpose of the credit described in subsection 9 of this section, in the case of a small corporation described in section 143.471, or a partnership, or a limited liability company, the credits allowed in subsection 9 of this section shall be apportioned in proportion to the share of ownership of each shareholder, partner or stockholder on the last day of the taxpayer's tax period for which such credits are being claimed.

13. For the purpose of the credit described in subsection 9 of this section, tax credits earned, to the extent such credits exceed the taxpayer's Missouri tax on taxable business income, shall constitute an overpayment of taxes and in such case, be refunded to the taxpayer provided such refunds are used by the taxpayer to purchase specified facility items. For the purpose of the refund as authorized in this subsection, "specified facility items" means equipment, computers, computer software, copiers, tenant finishing, furniture and fixtures installed and in use at the new business facility during the taxpayer's taxable year. The taxpayer shall perfect such refund by attesting in writing to the director, subject to the penalties of perjury, the requirements prescribed in this subsection have been met and submitting any other information the director may require.

14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer, referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value of such credits; and

(2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer acquiring the earned credits referred to as the assignee for the purpose of this subsection may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, or chapter 148, or in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916. Unused credits in the hands of the assignee may be carried forward for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in

which commencement of commercial operations occurred at the new business facility. The assignor shall enter into a written agreement with the assignee establishing the terms and conditions of the agreement and shall perfect such transfer by notifying the director in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the director to administer and carry out the provisions of this subsection. Notwithstanding any other provision of law to the contrary, the amount received by the assignor of such tax credit shall be taxable as income of the assignor, and the difference between the amount paid by the assignee and the par value of the credits shall be taxable as income of the assignee.

15. Notwithstanding any other provision of law to the contrary, no tax credits shall be authorized under sections 135.100 to 135.150 on or after August 28, 2014, or issued after December 31, 2015, and any such tax credit issued before January 1, 2016, that is not redeemed in the period the contribution was made may be carried forward as provided in this section.

135.327. 1. Any person residing in this state who legally adopts a special needs child on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under chapter 143. Any business entity providing funds to an employee to enable that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under such business entity's state tax liability, except that only one ten thousand dollar credit is available for each special needs child that is adopted.

2. Any person residing in this state who proceeds in good faith with the adoption of a special needs child on or after January 1, 2000, **but before December 31, 2013**, shall be eligible to receive a tax credit **or deduction** of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under chapter 143; provided, however, that beginning on March 29, 2013, **until December 31, 2013**, the tax credits shall only be allocated for the adoption of special needs children who are residents or wards of residents of this state at the time the adoption is initiated. **For all taxable years beginning on or after January 1, 2014, the tax deduction allowed under this section shall be allowed only for the adoption of special needs children who are residents or wards of residents of this state at the time the adoption is initiated.** Any business entity providing funds to an employee to enable that employee to proceed in good faith with the adoption of a special needs child shall be eligible to receive a tax credit **or deduction** of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under such business entity's

22 state tax liability, except that only one ten thousand dollar credit **or deduction** is available for
23 each special needs child that is adopted.

24 3. Individuals and business entities may claim a tax credit **or deduction** for their total
25 nonrecurring adoption expenses in each year that the expenses are incurred. A claim for fifty
26 percent of the credit **or deduction** shall be allowed when the child is placed in the home. A
27 claim for the remaining fifty percent shall be allowed when the adoption is final. The total of
28 these tax credits **or deductions** shall not exceed the maximum limit of ten thousand dollars per
29 child. The cumulative amount of tax credits **or deductions** which may be claimed by taxpayers
30 claiming the credit for nonrecurring adoption expenses in any one fiscal year prior to July 1,
31 2004, shall not exceed two million dollars. The cumulative amount of tax credits **or deductions**
32 that may be claimed by taxpayers claiming the credit for nonrecurring adoption expenses shall
33 not be more than two million dollars but may be increased by appropriation in any fiscal year
34 beginning on or after July 1, 2004. For all fiscal years beginning on or after July 1, 2006, **but**
35 **ending on or before December 31, 2013**, applications to claim the adoption tax credit for
36 special needs children who are residents or wards of residents of this state at the time the
37 adoption is initiated shall be filed between July first and April fifteenth of each fiscal year.

38 4. Notwithstanding any provision of law to the contrary, any individual or business entity
39 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed
40 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
41 sold.

42 5. For all taxable years beginning on or after January 1, 2014, no tax credit shall
43 be allowed under this section, but any individual residing in this state who proceeds in
44 good faith with the adoption of a special needs child on or after January 1, 2014, shall be
45 eligible to subtract up to ten thousand dollars from the taxpayer's Missouri adjusted gross
46 income to determine Missouri taxable income for the tax year in which such deduction is
47 claimed. Any business entity providing funds to an employee to enable that employee to
48 proceed in good faith with the adoption of a special needs child shall be eligible to subtract
49 up to ten thousand dollars for nonrecurring adoption expenses for each child to determine
50 the business entity's Missouri taxable income, except that only one ten thousand dollar
51 deduction shall be claimed for each special needs child that is adopted. All deductions
52 allowed under this subsection shall be subject to the same procedures and requirements
53 for taxpayers claiming tax credits under this section, and shall be administered as other
54 tax deductions are administered as provided by law.

135.341. 1. As used in this section, the following terms shall mean:

2 (1) "CASA", an entity which receives funding from the court-appointed special advocate
3 fund established under section 476.777, including an association based in this state, affiliated

4 with a national association, organized to provide support to entities receiving funding from the
5 court-appointed special advocate fund;

6 (2) "Child advocacy centers", the regional child assessment centers listed in subsection
7 2 of section 210.001;

8 (3) "Contribution", the amount of donation to a qualified agency;

9 (4) "Crisis care center", entities contracted with this state which provide temporary care
10 for children whose age ranges from birth through seventeen years of age whose parents or
11 guardian are experiencing an unexpected and unstable or serious condition that requires
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

14 (5) "Department", the department of revenue;

15 (6) "Director", the director of the department of revenue;

16 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

17 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under
18 sections 143.191 to 143.265.

19 2. For [all] **the tax [years] year** beginning on [or after] January 1, 2013, a tax credit may
20 be claimed in an amount equal to up to fifty percent of a verified contribution to a qualified
21 agency and shall be named the champion for children tax credit. The minimum amount of any
22 tax credit issued shall not be less than fifty dollars and shall be applied to taxes due under chapter
23 143, excluding sections 143.191 to 143.265. A contribution verification shall be issued to the
24 taxpayer by the agency receiving the contribution. Such contribution verification shall include
25 the taxpayer's name, Social Security number, amount of tax credit, amount of contribution, the
26 name and address of the agency receiving the credit, and the date the contribution was made.
27 The tax credit provided under this subsection shall be initially filed for the year in which the
28 verified contribution is made.

29 3. The cumulative amount of the tax credits redeemed shall not exceed one million
30 dollars in any tax year. The amount available shall be equally divided among the three qualified
31 agencies: CASA, child advocacy centers, or crisis care centers, to be used towards tax credits
32 issued. In the event tax credits claimed under one agency do not total the allocated amount for
33 that agency, the unused portion for that agency will be made available to the remaining agencies
34 equally. In the event the total amount of tax credits claimed for any one agency exceeds the
35 amount available for that agency, the amount redeemed shall and will be apportioned equally to
36 all eligible taxpayers claiming the credit under that agency.

37 4. Prior to December thirty-first of each year, each qualified agency shall apply to the
38 department of social services in order to verify their qualified agency status. Upon a
39 determination that the agency is eligible to be a qualified agency, the department of social

40 services shall provide a letter of eligibility to such agency. No later than February first of each
41 year, the department of social services shall provide a list of qualified agencies to the department
42 of revenue. All tax credit applications to claim the champion for children tax credit shall be filed
43 between July first and April fifteenth of each fiscal year. A taxpayer shall apply for the
44 champion for children tax credit by attaching a copy of the contribution verification provided by
45 a qualified agency to such taxpayer's income tax return.

46 5. Any amount of tax credit which exceeds the tax due or which is applied for and
47 otherwise eligible for issuance but not issued shall not be refunded but may be carried over to
48 any subsequent taxable year, not to exceed a total of five years.

49 6. Tax credits may be assigned, transferred or sold.

50 7. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
51 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
52 will not be held liable for any penalty or interest, provided the balance is paid, or approved
53 payment arrangements have been made, within sixty days from the notice of denial.

54 (2) In the event the balance is not paid within sixty days from the notice of denial, the
55 remaining balance shall be due and payable under the provisions of chapter 143.

56 8. (1) **As used in this subsection, the following terms mean:**

57 (a) **"Deduction", an amount subtracted from the taxpayer's Missouri adjusted**
58 **gross income to determine Missouri taxable income for the tax year in which such**
59 **deduction is claimed;**

60 (b) **"Taxpayer", any individual subject to the income tax imposed in chapter 143.**

61 (2) **In addition to all deductions provided by law, for all taxable years beginning**
62 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for a contribution.**
63 **The deduction amount shall be equal to fifty percent of the verified contribution. All**
64 **deductions allowed under this subsection shall be subject to the same procedures and**
65 **requirements for taxpayers claiming tax credits under this section, and shall be**
66 **administered as other tax deductions are administered as provided by law.**

67 9. The department may promulgate such rules or regulations as are necessary to
68 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
69 in section 536.010, that is created under the authority delegated in this section shall become
70 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
71 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
72 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
73 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
74 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid
75 and void.

76 [9. Pursuant to section 23.253, of the Missouri sunset act:

77 (1) The program authorized under this section shall be reauthorized as of March 29,
78 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

79 (2) This section shall terminate on September first of the calendar year immediately
80 following the calendar year in which the program authorized under this section is sunset; and

81 (3) The provisions of this subsection shall not be construed to limit or in any way impair
82 the department's ability to redeem tax credits authorized on or before the date the program
83 authorized under this section expires or a taxpayer's ability to redeem such credits.]

84 10. Beginning on March 29, 2013, any verified contribution to a qualified agency made
85 [on or after] **during the tax year beginning on** January 1, 2013, shall be eligible for tax credits
86 as provided by this section.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject
2 to the limitations provided under the provisions of subsection 3 of this section, be allowed a state
3 tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income
4 housing tax credit, if the commission issues an eligibility statement for that project.

5 2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri
6 low-income housing tax credit available to a project shall be such amount as the commission
7 shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the
8 federal low-income housing tax credit for a qualified Missouri project, for a federal tax period,
9 and such amount shall be subtracted from the amount of state tax otherwise due for the same tax
10 period.

11 3. No more than six million dollars in tax credits shall be authorized each fiscal year for
12 projects financed through tax-exempt bond issuance.

13 4. The Missouri low-income housing tax credit shall be taken against the taxes and in
14 the order specified pursuant to section 32.115. The credit authorized by this section shall not be
15 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be
16 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the
17 taxpayer's five subsequent taxable years.

18 5. All or any portion of Missouri tax credits issued in accordance with the provisions of
19 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
20 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects
21 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
22 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
23 provide to the director appropriate information so that the low-income housing tax credit can be
24 properly allocated.

25 6. In the event that recapture of Missouri low-income housing tax credits is required
26 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided
27 in this section shall include the proportion of the state credit required to be recaptured, the
28 identity of each taxpayer subject to the recapture and the amount of credit previously allocated
29 to such taxpayer.

30 7. The director of the department may promulgate rules and regulations necessary to
31 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to
32 the authority of this section shall become effective unless it has been promulgated pursuant to
33 the provisions of section 536.024.

34 **8. Notwithstanding any other provision of law to the contrary, no tax credits shall**
35 **be authorized under sections 135.350 to 135.363 on or after August 28, 2014, and any tax**
36 **credit that was issued before January 1, 2016, that is not redeemed in the period the**
37 **contribution was made may be carried forward as provided in this section.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may
2 be cited as the "Youth Opportunities and Violence Prevention Act".

3 2. As used in this section, the term "taxpayer" shall include corporations as defined in
4 section 143.441 or 143.471, any charitable organization which is exempt from federal income
5 tax and whose Missouri unrelated business taxable income, if any, would be subject to the state
6 income tax imposed under chapter 143, and individuals, individual proprietorships and
7 partnerships.

8 3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to
9 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147,
10 chapter 148, or chapter 153 in an amount equal to thirty percent for property contributions and
11 fifty percent for monetary contributions of the amount such taxpayer contributed to the programs
12 described in subsection 5 of this section, not to exceed two hundred thousand dollars per taxable
13 year, per taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this
14 section. The department of economic development shall prescribe the method for claiming the
15 tax credits allowed in this section. No rule or portion of a rule promulgated under the authority
16 of this section shall become effective unless it has been promulgated pursuant to the provisions
17 of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of no force and
18 effect and repealed; however, nothing in this section shall be interpreted to repeal or affect the
19 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the
20 provisions of chapter 536. The provisions of this section and chapter 536 are nonseverable and
21 if any of the powers vested with the general assembly pursuant to chapter 536, including the
22 ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a

23 rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and
24 any rule so proposed and contained in the order of rulemaking shall be invalid and void.

25 4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the
26 taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax
27 credit not used in such tax period may be carried over the next five succeeding tax periods.

28 5. The tax credit allowed by this section may only be claimed for monetary or property
29 contributions to public or private programs authorized to participate pursuant to this section by
30 the department of economic development and may be claimed for the development,
31 establishment, implementation, operation, and expansion of the following activities and
32 programs:

33 (1) An adopt-a-school program. Components of the adopt-a-school program shall
34 include donations for school activities, seminars, and functions; school-business employment
35 programs; and the donation of property and equipment of the corporation to the school;

36 (2) Expansion of programs to encourage school dropouts to reenter and complete high
37 school or to complete a graduate equivalency degree program;

38 (3) Employment programs. Such programs shall initially, but not exclusively, target
39 unemployed youth living in poverty and youth living in areas with a high incidence of crime;

40 (4) New or existing youth clubs or associations;

41 (5) Employment/internship/apprenticeship programs in business or trades for persons
42 less than twenty years of age, in which case the tax credit claimed pursuant to this section shall
43 be equal to one-half of the amount paid to the intern or apprentice in that tax year, except that
44 such credit shall not exceed ten thousand dollars per person;

45 (6) Mentor and role model programs;

46 (7) Drug and alcohol abuse prevention training programs for youth;

47 (8) Donation of property or equipment of the taxpayer to schools, including schools
48 which primarily educate children who have been expelled from other schools, or donation of the
49 same to municipalities, or not-for-profit corporations or other not-for-profit organizations which
50 offer programs dedicated to youth violence prevention as authorized by the department;

51 (9) Not-for-profit, private or public youth activity centers;

52 (10) Nonviolent conflict resolution and mediation programs;

53 (11) Youth outreach and counseling programs.

54 6. Any program authorized in subsection 5 of this section shall, at least annually, submit
55 a report to the department of economic development outlining the purpose and objectives of such
56 program, the number of youth served, the specific activities provided pursuant to such program,
57 the duration of such program and recorded youth attendance where applicable.

58 7. The department of economic development shall, at least annually submit a report to
59 the Missouri general assembly listing the organizations participating, services offered and the
60 number of youth served as the result of the implementation of this section.

61 8. The tax credit allowed by this section shall apply to all taxable years beginning after
62 December 31, 1995, **but ending on or before December 31, 2013.**

63 9. For the purposes of the credits described in this section, in the case of a corporation
64 described in section 143.471, partnership, limited liability company described in section 347.015,
65 cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such
66 credits shall be allowed to the following:

67 (1) The shareholders of the corporation described in section 143.471;

68 (2) The partners of the partnership;

69 (3) The members of the limited liability company; and

70 (4) Individual members of the cooperative or marketing enterprise. Such credits shall be
71 apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion
72 to their share of ownership on the last day of the taxpayer's tax period.

73 **10. For all taxable years beginning on or after January 1, 2014, no tax credit shall**
74 **be allowed under this section, but any taxpayer who would have been eligible for such**
75 **credit if the credit were allowed under this section after December 31, 2013, shall be**
76 **eligible to claim a tax deduction for the tax year in which such deduction is claimed, and**
77 **the amount of such deduction shall be equal to the amount of the credit the taxpayer would**
78 **have received if the credit allowed in this section before January 1, 2014, were allowed in**
79 **all taxable years beginning on or after January 1, 2014. All deductions allowed under this**
80 **subsection shall be subject to the same procedures and requirements for taxpayers**
81 **claiming tax credits under this section, and shall be administered as other tax deductions**
82 **are administered as provided by law.**

 135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in
2 a distressed community or within a census block group as described in subdivision (10) of
3 section 135.478, or for a multiple unit condominium described in subdivision (2) of this
4 subsection, shall receive a tax credit equal to fifteen percent of such costs against his or her tax
5 liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year
6 period.

7 (2) For the purposes of this section, a "multiple unit condominium" is one that is
8 intended to be owner occupied, which is constructed on property subject to an industrial
9 development contract as defined in section 100.310 and which lies within an area with a city
10 zoning classification of urban redevelopment district established after January 1, 2000, and
11 before December 31, 2001, and which is constructed in connection with the qualified

12 rehabilitation of a structure more than ninety years old eligible for the historic structures
13 rehabilitation tax credit described in sections 253.545 to 253.559, and is under way by January
14 1, 2000, and completed by January 1, 2002.

15 2. Any taxpayer who incurs eligible costs for a new residence located within a census
16 block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen
17 percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five
18 thousand dollars per new residence in any ten-year period.

19 3. Any taxpayer who is not performing substantial rehabilitation and who incurs eligible
20 costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit
21 equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible
22 costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum
23 eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax
24 credit shall not exceed twenty-five thousand dollars in any ten-year period.

25 4. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying
26 residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax
27 liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall
28 be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year
29 period.

30 5. A taxpayer shall be eligible to receive tax credits for new construction or rehabilitation
31 pursuant to only one subsection of this section.

32 6. No tax credit shall be issued pursuant to this section for any structure which is in
33 violation of any municipal or county property, maintenance or zoning code.

34 7. No tax credit shall be issued pursuant to sections 135.475 to 135.487 for the
35 construction or rehabilitation of rental property.

36 **8. Notwithstanding any other provision of law to the contrary, no tax credits shall**
37 **be authorized or issued under sections 135.475 to 135.487 after December 31, 2015, and any**
38 **such tax credit issued before January 1, 2016, that is not redeemed in the period the**
39 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
40 **years, but no more than ten percent of the amount of such tax credit that is carried**
41 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
42 **amount carried forward as provided in this subsection shall be redeemed unless and until**
43 **the estimate of the redemption of such credits has been reviewed and approved as provided**
44 **in subsection 4 of section 33.282.**

135.490. 1. In order to encourage and foster community improvement, an eligible small
2 business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not to
3 exceed five thousand dollars against the tax otherwise due pursuant to chapter 143, not including

4 sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access
5 expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code.
6 For purposes of this section, "eligible access expenditures" means amounts paid or incurred by
7 the taxpayer in order to comply with applicable access requirements provided by the Americans
8 With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and
9 federal rulings interpreting Section 44 of the Internal Revenue Code.

10 2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due [shall be carried over
12 to any subsequent taxable year, but] shall not be refunded and shall not be transferable.

13 3. The director of the department of economic development and the director of the
14 department of revenue shall jointly administer the tax credit authorized by this section. Both the
15 director of the department of economic development and the director of the department of
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions
17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

19 4. The provisions of this section shall become effective on January 1, 2000, and shall
20 apply to all taxable years beginning after December 31, 1999.

21 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
22 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
23 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
24 **made may be carried forward to the taxpayer's ten subsequent taxable years, but no more**
25 **than ten percent of the amount of such tax credit that is carried forward shall be redeemed**
26 **in any single subsequent taxable year. No percentage of the amount carried forward as**
27 **provided in this subsection shall be redeemed unless and until the estimate of the**
28 **redemption of such credits has been reviewed and approved as provided in subsection 4**
29 **of section 33.282.**

135.503. 1. Any investor that makes an investment of certified capital shall, in the year
2 of investment, earn a vested credit against state premium tax liability equal to the applicable
3 percentage of the investor's investment of certified capital. An investor shall be entitled to take
4 up to ten percent of the vested credit in any taxable year of the investor. Any time after three
5 years after August 28, 1996, the director, with the approval of the commissioner of
6 administration, may reduce the applicable percentage on a prospective basis. Any such reduction
7 in the applicable percentage by the director shall not have any effect on credits against state
8 premium tax liability which have been claimed or will be claimed by any investor with respect
9 to credits which have been earned and vested pursuant to an investment of certified capital prior
10 to the effective date of any such change.

11 2. An insurance company claiming a state premium tax credit earned through an
12 investment in a certified capital company shall not be required to pay any additional retaliatory
13 tax levied pursuant to section 375.916 as a result of claiming such credit.

14 3. The credit against state premium tax liability which is described in subsection 1 of this
15 section may not exceed the state premium tax liability of the investor for any taxable year. [All
16 such credits against state premium tax liability may be carried forward indefinitely until the
17 credits are utilized.] The maximum amount of certified capital in one or more certified capital
18 companies for which earned and vested tax credits will be allowed in any year to any one
19 investor or its affiliates shall be limited to ten million dollars.

20 4. Except as provided in subsection 5 of this section, the aggregate amount of certified
21 capital for which earned and vested credits against state premium tax liability are allowed for all
22 persons pursuant to sections 135.500 to 135.529 shall not exceed the following amounts: for
23 calendar year 1996, \$0.00; for calendar year 1997, an amount which would entitle all Missouri
24 certified capital company investors to take aggregate credits of five million dollars; and for any
25 year thereafter, an additional amount to be determined by the director but not to exceed aggregate
26 credits of ten million dollars for any year with the approval of the commissioner of
27 administration and reported to the general assembly as provided in subsection 2 of section
28 33.282, provided that the amount so determined shall not impair the ability of an investor with
29 earned and vested credits which have been allowed in previous years to take them, pursuant to
30 subsection 1 of this section. During any calendar year in which the limitation described in this
31 subsection will limit the amount of certified capital for which earned and vested credits against
32 state premium tax liability are allowed, certified capital for which credits are allowed will be
33 allocated in order of priority based upon the date of filing of information described in subdivision
34 (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year by the
35 application of the provisions of this subsection shall be allowed and allocated in the immediately
36 succeeding calendar year in the order of priority set forth in this subsection. The department
37 shall make separate allocations of certified capital for which credits are allowed under the
38 limitations described in this subsection and under the limitations described in subsection 5 of this
39 section.

40 5. In addition to the maximum amount pursuant to subsection 4 of this section, the
41 aggregate amount of certified capital for which earned and vested credits against state premium
42 tax liability are allowed for persons pursuant to sections 135.500 to 135.529 shall be the
43 following: for calendar year 1999 and for any year thereafter, an amount to be determined by the
44 director which would entitle all Missouri certified capital company investors to take aggregate
45 credits not to exceed four million dollars for any year with the approval of the commissioner of
46 administration and reported to the general assembly as provided in subsection 2 of section

47 33.282, provided that the amount so determined shall not impair the ability of an investor with
48 earned and vested credits which have been allowed in previous years or pursuant to the
49 provisions of subsection 4 of this section to take them, pursuant to subsection 1 of this section.
50 For purposes of any requirement regarding the schedule of qualified investments for certified
51 capital for which earned and vested credits against state premium tax liability are allowed
52 pursuant to this subsection only, the definition of a "qualified Missouri business" as set forth in
53 subdivision (14) of subsection 2 of section 135.500 means a Missouri business that is located in
54 a distressed community as defined in section 135.530, and meets all of the requirements of
55 subdivision (14) of subsection 2 of section 135.500. During any calendar year in which the
56 limitation described in this subsection limits the amount of additional certified capital for which
57 earned and vested credits against state premium tax liability are allowed, additional certified
58 capital for which credits are allowed shall be allocated in order of priority based upon the date
59 of filing of information described in subdivision (1) of subsection 5 of section 135.516 with
60 respect to such additional certified capital. The department shall make separate allocations of
61 certified capital for which credits are allowed under the limitations described in this subsection
62 and under the limitations described in subsection 4 of this section. No limitation applicable to
63 any certified capital company with respect to certified capital for which credits are allowed
64 pursuant to subsection 4 of this section shall limit the amount of certified capital for which
65 credits are allowed pursuant to this subsection. No limitation applicable to any certified capital
66 company with respect to certified capital for which credits are allowed pursuant to this
67 subsection shall limit the amount of certified capital for which credits are allowed pursuant to
68 subsection 4 of this section.

69 6. The department shall advise any Missouri certified capital company, in writing, within
70 fifteen days after receiving the filing described in subdivision (1) of subsection 5 of section
71 135.516 whether the limitations of subsection 3 of this section then in effect will be applicable
72 with respect to the investments and credits described in such filing with the department.

73 **7. Notwithstanding any other provision of law to the contrary, any tax credit issued**
74 **under this section before January 1, 2016, that is not redeemed in the period the**
75 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
76 **years, but no more than ten percent of the amount of such tax credit that is carried**
77 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
78 **amount carried forward as provided in this subsection shall be redeemed unless and until**
79 **the estimate of the redemption of such credits has been reviewed and approved as provided**
80 **in subsection 4 of section 33.282.**

135.535. 1. A corporation, limited liability corporation, partnership or sole
2 proprietorship, which moves its operations from outside Missouri or outside a distressed

3 community into a distressed community, or which commences operations in a distressed
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of
5 its employees at the facility in the distressed community, and which has fewer than one hundred
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
7 devices, scientific research, animal research, computer software design or development,
8 computer programming, including internet, web hosting, and other information technology,
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved
12 by the department of economic development, which shall issue a certificate of eligibility if the
13 department determines that the taxpayer is eligible for such credit. The maximum amount of
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five
15 thousand dollars for each of the three years for which the credit is claimed. The department of
16 economic development, by means of rule or regulation promulgated pursuant to the provisions
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers
18 to the companies which are eligible for the tax credits provided for in this section. Such
19 three-year credits shall be awarded only one time to any company which moves its operations
20 from outside of Missouri or outside of a distressed community into a distressed community or
21 to a company which commences operations within a distressed community. A taxpayer shall file
22 an application for certification of the tax credits for the first year in which credits are claimed and
23 for each of the two succeeding taxable years for which credits are claimed.

24 2. Employees of such facilities physically working and earning wages for that work
25 within a distressed community whose employers have been approved for tax credits pursuant to
26 subsection 1 of this section by the department of economic development for whom payroll taxes
27 are paid shall also be eligible to receive a tax credit against individual income tax, imposed
28 pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such
29 facility earned for each of the three years that the facility receives the tax credit provided by this
30 section, so long as they were qualified employees of such entity. The employer shall calculate
31 the amount of such credit and shall report the amount to the employee and the department of
32 revenue.

33 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than
34 the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income
35 taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed
36 community in an amount of forty percent of the amount of funds expended for computer
37 equipment and its maintenance, medical laboratories and equipment, research laboratory
38 equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications,

39 wiring or software development expense up to a maximum of seventy-five thousand dollars in
40 tax credits for such equipment or expense per year per entity and for each of three years after
41 commencement in or moving operations into a distressed community.

42 4. A corporation, partnership or sole partnership, which has no more than one hundred
43 employees for whom payroll taxes are paid, which is already located in a distressed community
44 and which expends funds for such equipment pursuant to subsection 3 of this section in an
45 amount exceeding its average of the prior two years for such equipment, shall be eligible to
46 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an
47 amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds
48 expended for such additional equipment per such entity. Tax credits allowed pursuant to this
49 subsection or subsection 1 of this section may be carried back to any of the three prior tax years
50 and carried forward to any of the next five tax years.

51 5. An existing corporation, partnership or sole proprietorship that is located within a
52 distressed community and that relocates employees from another facility outside of the distressed
53 community to its facility within the distressed community, and an existing business located
54 within a distressed community that hires new employees for that facility may both be eligible for
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
56 such a business, during one of its tax years, shall employ within a distressed community at least
57 twice as many employees as were employed at the beginning of that tax year. A business hiring
58 employees shall have no more than one hundred employees before the addition of the new
59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,
60 medical devices, scientific research, animal research, computer software design or development,
61 computer programming or telecommunications business, or a professional firm.

62 6. Tax credits shall be approved for applicants meeting the requirements of this section
63 in the order that such applications are received. Certificates of tax credits issued in accordance
64 with this section may be transferred, sold or assigned by notarized endorsement which names the
65 transferee.

66 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
67 be for an amount of no more than ten million dollars for each year beginning in 1999. The total
68 maximum credit for all entities already located in distressed communities and claiming credits
69 pursuant to subsection 4 of this section shall be seven hundred and fifty thousand dollars. The
70 department of economic development in approving taxpayers for the credit as provided for in
71 subsection 6 of this section shall use information provided by the department of revenue
72 regarding taxes paid in the previous year, or projected taxes for those entities newly established
73 in the state, as the method of determining when this maximum will be reached and shall maintain

74 a record of the order of approval. Any tax credit not used in the period for which the credit was
75 approved may be carried over until the full credit has been allowed.

76 8. A Missouri employer relocating into a distressed community and having employees
77 covered by a collective bargaining agreement at the facility from which it is relocating shall not
78 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
79 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
80 collective bargaining agreement covering employees at the facility, unless the affected collective
81 bargaining unit concurs with the move.

82 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
83 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
84 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
85 135.245, respectively, for the same business for the same tax period.

86 **10. (1) Except as provided in subdivision (2) of this subsection, notwithstanding**
87 **any other provision of law to the contrary, any tax credit issued under this section on or**
88 **before August 28, 2013, that is not redeemed in the period the contribution was made may**
89 **be carried forward as provided in this section.**

90 **(2) All tax credits for economic development under the development tax credit**
91 **program created under this section shall be administered as provided in section 620.2020.**

135.550. 1. As used in this section, the following terms shall mean:

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or
3 real property;

4 (2) "Shelter for victims of domestic violence", a facility located in this state which meets
5 the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which
6 meets the requirements of section 455.220;

7 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
8 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,
9 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191
10 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred
11 by such taxpayer pursuant to the provisions of chapter 143;

12 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S
13 corporation doing business in the state of Missouri and subject to the state income tax imposed
14 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
15 imposed by the provisions of chapter 147, including any charitable organization which is exempt
16 from federal income tax and whose Missouri unrelated business taxable income, if any, would
17 be subject to the state income tax imposed under chapter 143, or an insurance company paying
18 an annual tax on its gross premium receipts in this state, or other financial institution paying

19 taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions
20 of chapter 148, or an express company which pays an annual tax on its gross receipts in this state
21 pursuant to chapter 153, or an individual subject to the state income tax imposed by the
22 provisions of chapter 143.

23 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter
25 for victims of domestic violence.

26 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
27 state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be
28 allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any
29 tax credit that cannot be claimed in the taxable year the contribution was made may be carried
30 over to the next four succeeding taxable years until the full credit has been claimed.

31 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
32 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
33 taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence
34 in such taxpayer's taxable year has a value of at least one hundred dollars.

35 5. The director of the department of social services shall determine, at least annually,
36 which facilities in this state may be classified as shelters for victims of domestic violence. The
37 director of the department of social services may require of a facility seeking to be classified as
38 a shelter for victims of domestic violence whatever information is reasonably necessary to make
39 such a determination. The director of the department of social services shall classify a facility
40 as a shelter for victims of domestic violence if such facility meets the definition set forth in
41 subsection 1 of this section.

42 6. The director of the department of social services shall establish a procedure by which
43 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic
44 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic
45 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to
46 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
47 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one
48 fiscal year shall not exceed two million dollars.

49 7. The director of the department of social services shall establish a procedure by which,
50 from the beginning of the fiscal year until some point in time later in the fiscal year to be
51 determined by the director of the department of social services, the cumulative amount of tax
52 credits are equally apportioned among all facilities classified as shelters for victims of domestic
53 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be
54 determined by the director of the department of social services, of its apportioned tax credits

55 during this predetermined period of time, the director of the department of social services may
56 reapportion these unused tax credits to those shelters for victims of domestic violence that have
57 used all, or some percentage to be determined by the director of the department of social
58 services, of their apportioned tax credits during this predetermined period of time. The director
59 of the department of social services may establish more than one period of time and reapportion
60 more than once during each fiscal year. To the maximum extent possible, the director of the
61 department of social services shall establish the procedure described in this subsection in such
62 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
63 amount of tax credits available for the fiscal year.

64 8. This section shall become effective January 1, 2000, and shall apply to all tax years
65 after December 31, 1999.

66 9. (1) **For all taxable years beginning on or after January 1, 2014, no credit shall**
67 **be allowed under this section, but any taxpayer shall be eligible to claim a deduction as**
68 **allowed under this section.**

69 (2) **As used in this subsection, the term "deduction" means an amount subtracted**
70 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income,**
71 **or federal taxable income in the case of a corporation, for the tax year in which such**
72 **deduction is claimed.**

73 (3) **In addition to all deductions provided by law, for all taxable years beginning**
74 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for contributions**
75 **made to a shelter for victims of domestic violence. Tax deductions allowed to any**
76 **partnership, limited liability company, S-corporation, or other pass-through entity may be**
77 **allocated to the partners, members, or shareholders of such entity for their direct use in**
78 **accordance with the provisions of any agreement among such partners, members, or**
79 **shareholders. The amount of such deduction shall be equal to fifty percent of the amount**
80 **the taxpayer contributed to a shelter for victims of domestic violence. All deductions**
81 **allowed under this subsection shall be subject to the same procedures and requirements**
82 **for taxpayers claiming tax credits under this section, and shall be administered as other**
83 **tax deductions are administered as provided by law.**

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand
2 dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's
3 principal dwelling accessible to an individual with a disability who permanently resides with the
4 taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax
5 liability in an amount equal to the lesser of one hundred percent of such costs or two thousand
6 five hundred dollars per taxpayer, per tax year.

7 2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars
8 but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion
9 of such taxpayer's principal dwelling accessible to an individual with a disability who
10 permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri
11 income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand
12 five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits
13 under this section in any tax year immediately following a tax year in which such taxpayer
14 received tax credits under the provisions of this section.

15 3. Tax credits issued pursuant to this section may be refundable in an amount not to
16 exceed two thousand five hundred dollars per tax year.

17 4. Eligible costs for which the credit may be claimed include:

- 18 (1) Constructing entrance or exit ramps;
- 19 (2) Widening exterior or interior doorways;
- 20 (3) Widening hallways;
- 21 (4) Installing handrails or grab bars;
- 22 (5) Moving electrical outlets and switches;
- 23 (6) Installing stairway lifts;
- 24 (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;
- 25 (8) Modifying hardware of doors; or
- 26 (9) Modifying bathrooms.

27 5. The tax credits allowed, including the maximum amount that may be claimed,
28 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
29 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
30 the extent such taxpayer has applied any other state or federal income tax credit to such costs.

31 6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the
32 credit is issued, and at the time such taxpayer files his or her Missouri income tax return;
33 provided that such return is timely filed.

34 7. The department may, in consultation with the department of social services,
35 promulgate such rules or regulations as are necessary to administer the provisions of this section.
36 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
37 authority delegated in this section shall become effective only if it complies with and is subject
38 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
39 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
40 to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are
41 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
42 or adopted after August 28, 2007, shall be invalid and void.

43 8. The provisions of this section shall apply to all tax years beginning on or after January
44 1, 2008.

45 9. [The provisions of this section shall expire December 31, 2019, unless reauthorized
46 by the general assembly. This section shall terminate on September first of the calendar year
47 immediately following the calendar year in which the program authorized under this section is
48 sunset. The provisions of this subsection shall not be construed to limit or in any way impair the
49 department's ability to redeem tax credits authorized on or before the date the program authorized
50 under this section expires or a taxpayer's ability to redeem such tax credits.

51 10.] In no event shall the aggregate amount of all tax credits allowed pursuant to this
52 section exceed one hundred thousand dollars in any given fiscal year. The tax credits issued
53 pursuant to this section shall be on a first-come, first-served filing basis.

54 **10. (1) For all taxable years beginning on or after January 1, 2014, no credit shall**
55 **be allowed under this section, but any taxpayer described in this section shall be eligible**
56 **to claim a deduction as allowed under this section.**

57 **(2) As used in this subsection, the term "deduction" means an amount subtracted**
58 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income**
59 **for the tax year in which such deduction is claimed.**

60 **(3) In addition to all deductions provided by law, for all taxable years beginning**
61 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for costs incurred as**
62 **described in this section. The amount of such deduction shall be equal to the amounts**
63 **allowed for tax credits before January 1, 2014, as provided in this section. All deductions**
64 **allowed under this subsection shall be subject to the same procedures and requirements**
65 **for taxpayers claiming tax credits under this section, and shall be administered as other**
66 **tax deductions are administered as provided by law.**

135.575. 1. As used in this section, the following terms mean:

2 (1) "Missouri health care access fund", the fund created in section 191.1056;

3 (2) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
4 withholding tax imposed by sections 143.191 to 143.265;

5 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143, excluding
6 withholding tax imposed by sections 143.191 to 143.265.

7 2. The provisions of this section shall be subject to section 33.282. For all taxable years
8 beginning on or after January 1, 2007, a taxpayer shall be allowed a tax credit for donations in
9 excess of one hundred dollars made to the Missouri health care access fund. The tax credit shall
10 be subject to annual approval by the senate appropriations committee and the house budget
11 committee. The tax credit amount shall be equal to one-half of the total donation made, but shall
12 not exceed twenty-five thousand dollars per taxpayer claiming the credit. If the amount of the

13 tax credit issued exceeds the amount of the taxpayer's state tax liability for the tax year for which
14 the credit is claimed, the difference shall not be refundable but may be carried forward to any of
15 the taxpayer's next four taxable years. No tax credit granted under this section shall be
16 transferred, sold, or assigned. The cumulative amount of tax credits which may be issued under
17 this section in any one fiscal year shall not exceed one million dollars.

18 3. The department of revenue may promulgate rules to implement the provisions of this
19 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
20 under the authority delegated in this section shall become effective only if it complies with and
21 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
22 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
23 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
24 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
25 proposed or adopted after August 28, 2007, shall be invalid and void.

26 4. [Pursuant to section 23.253 of the Missouri sunset act:

27 (1) The provisions of the new program authorized under this section shall automatically
28 sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

29 (2) If such program is reauthorized, the program authorized under this section shall
30 automatically sunset twelve years after the effective date of the reauthorization of this section;
31 and

32 (3) This section shall terminate on September first of the calendar year immediately
33 following the calendar year in which the program authorized under this section is sunset.] (1)

34 **For all taxable years beginning on or after January 1, 2014, no credit shall be allowed**
35 **under this section, but any taxpayer described in this section shall be eligible to claim a**
36 **deduction as allowed under this section.**

37 (2) **As used in this subsection, the term "deduction" means an amount subtracted**
38 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income**
39 **for the tax year in which such deduction is claimed.**

40 (3) **In addition to all deductions provided by law, for all taxable years beginning**
41 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for donations as**
42 **described in this section. The amount of such deduction shall be equal to the amounts**
43 **allowed for tax credits before January 1, 2014, as provided in this section. All deductions**
44 **allowed under this subsection shall be subject to the same procedures and requirements**
45 **for taxpayers claiming tax credits under this section, and shall be administered as other**
46 **tax deductions are administered as provided by law.**

135.600. 1. As used in this section, the following terms shall mean:

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or
3 real property;

4 (2) "Maternity home", a residential facility located in this state established for the
5 purpose of providing housing and assistance to pregnant women who are carrying their
6 pregnancies to term, and which is exempt from income taxation under the United States Internal
7 Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
9 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,
10 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191
11 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability
12 incurred by such taxpayer pursuant to the provisions of chapter 143;

13 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S
14 corporation doing business in the state of Missouri and subject to the state income tax imposed
15 by the provisions of chapter 143, including any charitable organization which is exempt from
16 federal income tax and whose Missouri unrelated business taxable income, if any, would be
17 subject to the state income tax imposed under chapter 143, or a corporation subject to the annual
18 corporation franchise tax imposed by the provisions of chapter 147, or an insurance company
19 paying an annual tax on its gross premium receipts in this state, or other financial institution
20 paying taxes to the state of Missouri or any political subdivision of this state pursuant to the
21 provisions of chapter 148, or an express company which pays an annual tax on its gross receipts
22 in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by
23 the provisions of chapter 143.

24 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
25 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a
26 maternity home.

27 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
28 state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be
29 allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any
30 tax credit that cannot be claimed in the taxable year the contribution was made may be carried
31 over to the next four succeeding taxable years until the full credit has been claimed.

32 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
33 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
34 taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's taxable
35 year has a value of at least one hundred dollars.

36 5. The director of the department of social services shall determine, at least annually,
37 which facilities in this state may be classified as maternity homes. The director of the

38 department of social services may require of a facility seeking to be classified as a maternity
39 home whatever information is reasonably necessary to make such a determination. The director
40 of the department of social services shall classify a facility as a maternity home if such facility
41 meets the definition set forth in subsection 1 of this section.

42 6. The director of the department of social services shall establish a procedure by which
43 a taxpayer can determine if a facility has been classified as a maternity home, and by which such
44 taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes
45 shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax
46 credits which may be claimed by all the taxpayers contributing to maternity homes in any one
47 fiscal year shall not exceed two million dollars.

48 7. The director of the department of social services shall establish a procedure by which,
49 from the beginning of the fiscal year until some point in time later in the fiscal year to be
50 determined by the director of the department of social services, the cumulative amount of tax
51 credits are equally apportioned among all facilities classified as maternity homes. If a maternity
52 home fails to use all, or some percentage to be determined by the director of the department of
53 social services, of its apportioned tax credits during this predetermined period of time, the
54 director of the department of social services may reapportion these unused tax credits to those
55 maternity homes that have used all, or some percentage to be determined by the director of the
56 department of social services, of their apportioned tax credits during this predetermined period
57 of time. The director of the department of social services may establish more than one period
58 of time and reapportion more than once during each fiscal year. To the maximum extent
59 possible, the director of the department of social services shall establish the procedure described
60 in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits
61 possible up to the cumulative amount of tax credits available for the fiscal year.

62 8. This section shall become effective January 1, 2000, and shall apply to all tax years
63 after December 31, 1999.

64 **9. (1) For all taxable years beginning on or after January 1, 2014, no credit shall**
65 **be allowed under this section, but any taxpayer shall be eligible to claim a deduction as**
66 **allowed under this section.**

67 **(2) As used in this subsection, the term "deduction" means an amount subtracted**
68 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income,**
69 **or federal taxable income in the case of a corporation, for the tax year in which such**
70 **deduction is claimed.**

71 **(3) In addition to all deductions provided by law, for all taxable years beginning**
72 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for contributions**
73 **made to maternity home. Tax deductions allowed to any partnership, limited liability**

74 company, S-corporation, or other pass-through entity may be allocated to the partners,
75 members, or shareholders of such entity for their direct use in accordance with the
76 provisions of any agreement among such partners, members, or shareholders. The amount
77 of such deduction shall be equal to the amounts allowed for tax credits before January 1,
78 2014, as provided in this section. All deductions allowed under this subsection shall be
79 subject to the same procedures and requirements for taxpayers claiming tax credits under
80 this section, and shall be administered as other tax deductions are administered as
81 provided by law.

135.630. 1. As used in this section, the following terms mean:

- 2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or
3 real property;
- 4 (2) "Director", the director of the department of social services;
- 5 (3) "Pregnancy resource center", a nonresidential facility located in this state:
 - 6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and
8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and
 - 10 (b) Where childbirths are not performed; and
 - 11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and
 - 13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and
 - 15 (e) Which provides its services at no cost to its clients; and
 - 16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and
 - 18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of
19 1986, as amended;
- 20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191
24 to 143.265 and related provisions;
- 25 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an S
26 corporation doing business in the state of Missouri and subject to the state income tax imposed
27 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
28 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its

29 gross premium receipts in this state, or other financial institution paying taxes to the state of
30 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or
31 an express company which pays an annual tax on its gross receipts in this state pursuant to
32 chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter
33 143, or any charitable organization which is exempt from federal income tax and whose Missouri
34 unrelated business taxable income, if any, would be subject to the state income tax imposed
35 under chapter 143.

36 2. (1) Beginning on March 29, 2013, any contribution to a pregnancy resource center
37 made on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

38 (2) For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed
39 to claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent
40 of the amount such taxpayer contributed to a pregnancy resource center.

41 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
42 state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not
43 be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However,
44 any tax credit that cannot be claimed in the taxable year the contribution was made may be
45 carried over to the next four succeeding taxable years until the full credit has been claimed.

46 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
47 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
48 taxpayer's contribution or contributions to a pregnancy resource center or centers in such
49 taxpayer's taxable year has a value of at least one hundred dollars.

50 5. The director shall determine, at least annually, which facilities in this state may be
51 classified as pregnancy resource centers. The director may require of a facility seeking to be
52 classified as a pregnancy resource center whatever information which is reasonably necessary
53 to make such a determination. The director shall classify a facility as a pregnancy resource
54 center if such facility meets the definition set forth in subsection 1 of this section.

55 6. The director shall establish a procedure by which a taxpayer can determine if a facility
56 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted
57 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
58 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year
59 shall not exceed two million dollars. Tax credits shall be issued in the order contributions are
60 received.

61 7. The director shall establish a procedure by which, from the beginning of the fiscal year
62 until some point in time later in the fiscal year to be determined by the director, the cumulative
63 amount of tax credits are equally apportioned among all facilities classified as pregnancy
64 resource centers. If a pregnancy resource center fails to use all, or some percentage to be

65 determined by the director, of its apportioned tax credits during this predetermined period of
66 time, the director may reapportion these unused tax credits to those pregnancy resource centers
67 that have used all, or some percentage to be determined by the director, of their apportioned tax
68 credits during this predetermined period of time. The director may establish more than one
69 period of time and reapportion more than once during each fiscal year. To the maximum extent
70 possible, the director shall establish the procedure described in this subsection in such a manner
71 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of
72 tax credits available for the fiscal year.

73 8. Each pregnancy resource center shall provide information to the director concerning
74 the identity of each taxpayer making a contribution to the pregnancy resource center who is
75 claiming a tax credit pursuant to this section and the amount of the contribution. The director
76 shall provide the information to the director of revenue. The director shall be subject to the
77 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax
78 information.

79 9. [Pursuant to section 23.253 of the Missouri sunset act:

80 (1) The program authorized under this section shall be reauthorized as of March 29,
81 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

82 (2) This section shall terminate on September first of the calendar year immediately
83 following the calendar year in which a program authorized under this section is sunset; and

84 (3) The provisions of this subsection shall not be construed to limit or in any way impair
85 the department's ability to issue tax credits authorized on or before the date the program
86 authorized under this section expires or a taxpayer's ability to redeem such tax credits.] **(1) For**
87 **all taxable years beginning on or after January 1, 2014, no credit shall be allowed under**
88 **this section, but any taxpayer shall be eligible to claim a deduction as allowed under this**
89 **section.**

90 (2) As used in this subsection, the term "deduction" means an amount subtracted
91 from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income,
92 or federal taxable income in the case of a corporation, for the tax year in which such
93 deduction is claimed.

94 (3) In addition to all deductions provided by law, for all taxable years beginning
95 on or after January 1, 2014, a taxpayer shall be allowed a deduction for contributions
96 made to pregnancy resource centers. Tax deductions allowed to any partnership, limited
97 liability company, S-corporation, or other pass-through entity may be allocated to the
98 partners, members, or shareholders of such entity for their direct use in accordance with
99 the provisions of any agreement among such partners, members, or shareholders. The
100 amount of such deduction shall be equal to the amounts allowed for tax credits before

101 **January 1, 2014, as provided in this section. All deductions allowed under this subsection**
102 **shall be subject to the same procedures and requirements for taxpayers claiming tax**
103 **credits under this section, and shall be administered as other tax deductions are**
104 **administered as provided by law.**

135.647. 1. As used in this section, the following terms shall mean:

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986,
4 as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people who would
6 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax
7 credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder
9 in an S corporation doing business in this state and subject to the state income tax imposed by
10 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

11 2. (1) Beginning on March 29, 2013, any donation of cash or food made on or after
12 January 1, 2013, shall be eligible for tax credits as provided by this section.

13 (2) For all tax years beginning on or after January 1, 2007, any taxpayer who donates
14 cash or food, unless such food is donated after the food's expiration date, to any local food pantry
15 shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding
16 tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of
17 the donations made to the extent such amounts that have been subtracted from federal adjusted
18 gross income or federal taxable income are added back in the determination of Missouri adjusted
19 gross income or Missouri taxable income before the credit can be claimed. Each taxpayer
20 claiming a tax credit under this section shall file an affidavit with the income tax return verifying
21 the amount of their contributions. The amount of the tax credit claimed shall not exceed the
22 amount of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not
23 exceed two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit
24 that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable,
25 but may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit
26 granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
27 to receive a credit pursuant to this section if such taxpayer employs persons who are not
28 authorized to work in the United States under federal law.

29 3. The cumulative amount of tax credits under this section which may be allocated to all
30 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed one million
31 two hundred fifty thousand dollars. The director of revenue shall establish a procedure by which
32 the cumulative amount of tax credits is apportioned among all taxpayers claiming the credit by

33 April fifteenth of the fiscal year in which the tax credit is claimed. To the maximum extent
34 possible, the director of revenue shall establish the procedure described in this subsection in such
35 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
36 amount of tax credits available for the fiscal year.

37 4. Any local food pantry may accept or reject any donation of food made under this
38 section for any reason. For purposes of this section, any donations of food accepted by a local
39 food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the
40 donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

41 5. The department of revenue shall promulgate rules to implement the provisions of this
42 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
43 under the authority delegated in this section shall become effective only if it complies with and
44 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
45 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
46 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
47 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
48 proposed or adopted after August 28, 2007, shall be invalid and void.

49 6. [Under section 23.253 of the Missouri sunset act:

50 (1) The program authorized under this section shall be reauthorized as of March 29,
51 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

52 (2) This section shall terminate on September first of the calendar year immediately
53 following the calendar year in which the program authorized under this section is sunset; and

54 (3) The provisions of this subsection shall not be construed to limit or in any way impair
55 the department's ability to redeem tax credits authorized on or before the date the program
56 authorized under this section expires or a taxpayer's ability to redeem such tax credits.] **(1) For**
57 **all taxable years beginning on or after January 1, 2014, no credit shall be allowed under**
58 **this section, but any taxpayer shall be eligible to claim a deduction as allowed under this**
59 **section.**

60 **(2) As used in this subsection, the term "deduction" means an amount subtracted**
61 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income,**
62 **or federal taxable income in the case of a corporation, for the tax year in which such**
63 **deduction is claimed.**

64 **(3) In addition to all deductions provided by law, for all taxable years beginning**
65 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for donations made**
66 **as provided in this section. Tax deductions allowed to any partnership, limited liability**
67 **company, S-corporation, or other pass-through entity may be allocated to the partners,**
68 **members, or shareholders of such entity for their direct use in accordance with the**

69 provisions of any agreement among such partners, members, or shareholders. The amount
70 of such deduction shall be equal to the amounts allowed for tax credits before January 1,
71 2014, as provided in this section. All deductions allowed under this subsection shall be
72 subject to the same procedures and requirements for taxpayers claiming tax credits under
73 this section, and shall be administered as other tax deductions are administered as
74 provided by law.

135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax
2 Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Agricultural property", any real and personal property, including but not limited to
5 buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in
6 this state by residents of this state for:

7 (a) The operation of a farm or ranch; and

8 (b) Grazing, feeding, or the care of livestock;

9 (2) "Authority", the agricultural and small business development authority established
10 in chapter 348;

11 (3) "Backgrounded", any additional weight at the time of the first qualifying sale, before
12 being finished, above the established baseline weight;

13 (4) "Baseline weight", the average weight in the immediate past three years of all beef
14 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for
15 qualified beef animals that are physically out-of-state but whose ownership is retained by a
16 resident of this state shall be established by the average transfer weight in the immediate past
17 three years of all beef animals that are thirty months of age or younger and that are transferred
18 out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The
19 established baseline weight shall be effective for a period of three years. If the taxpayer is a
20 qualifying beef animal producer with fewer than three years of production, the baseline weight
21 shall be established by the available average weight in the immediate past year of all beef
22 animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef
23 animal producer has no previous production, the baseline weight shall be established by the
24 authority;

25 (5) "Finished", the period from backgrounded to harvest;

26 (6) "Qualifying beef animal", any beef animal that is certified by the authority, that was
27 born in this state after August 28, 2008, that was raised and backgrounded or finished in this state
28 by the taxpayer, excluding any beef animal more than thirty months of age as verified by certified
29 written birth records;

30 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the
31 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying
32 beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef
33 animal at the time of the first qualifying sale of such beef animal;

34 (8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
35 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (9) "Taxpayer", any individual or entity who:

37 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by
38 sections 143.191 to 143.265, or the tax imposed in chapter 147;

39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or
40 in the absence of a 911 system, a physical address; and

41 (c) Owns or rents agricultural property and principal place of business is located in this
42 state.

43 3. For all taxable years beginning on or after January 1, 2009, but ending on or before
44 December 31, [2016] **2015**, a taxpayer shall be allowed a tax credit for the first qualifying sale
45 and for a subsequent qualifying sale of all qualifying beef animals. The tax credit amount for
46 the first qualifying sale shall be ten cents per pound, shall be based on the backgrounded weight
47 of all qualifying beef animals at the time of the first qualifying sale, and shall be calculated as
48 follows: the qualifying sale weight minus the baseline weight multiplied by ten cents, as long
49 as the qualifying sale weight is equal to or greater than two hundred pounds above the baseline
50 weight. The tax credit amount for each subsequent qualifying sale shall be ten cents per pound,
51 shall be based on the backgrounded weight of all qualifying beef animals at the time of the
52 subsequent qualifying sale, and shall be calculated as follows: the qualifying sale weight minus
53 the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal to or
54 greater than two hundred pounds above the baseline weight. The authority may waive no more
55 than twenty-five percent of the two hundred pound weight gain requirement, but any such waiver
56 shall be based on a disaster declaration issued by the U. S. Department of Agriculture.

57 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
58 state tax liability for the taxable year for which the credit is claimed. No tax credit claimed under
59 this section shall be refundable. The tax credit shall be claimed in the taxable year in which the
60 qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is
61 prohibited by this section from claiming in a taxable year may be carried forward to any of the
62 taxpayer's five subsequent taxable years and carried backward to any of the taxpayer's three
63 previous taxable years. The amount of tax credits that may be issued to all eligible applicants
64 claiming tax credits authorized in this section in a fiscal year shall not exceed three million
65 dollars. Tax credits shall be issued on an as-received application basis until the fiscal year limit

66 is reached. Any credits not issued in any fiscal year shall expire and shall not be issued in any
67 subsequent years.

68 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
69 authority an application for the tax credit on a form provided by the authority and any application
70 fee imposed by the authority. The application shall be filed with the authority at the end of each
71 calendar year in which a qualified sale was made and for which a tax credit is claimed under this
72 section. The application shall include any certified documentation and information required by
73 the authority. All required information obtained by the authority shall be confidential and not
74 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and
75 the qualified sale meet all criteria required by this section and approval is granted by the
76 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit
77 certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed,
78 and the new owner of the tax credit certificate shall have the same rights in the tax credit as the
79 original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise
80 conveyed, a notarized endorsement shall be filed with the authority specifying the name and
81 address of the new owner of the tax credit certificate or the value of the tax credit.

82 6. Any information provided under this section shall be confidential information, to be
83 shared with no one except state and federal animal health officials, except as provided in
84 subsection 5 of this section.

85 7. The authority may promulgate rules to implement the provisions of this section. Any
86 rule or portion of a rule, as that term is defined in section 536.010, that is created under the
87 authority delegated in this section shall become effective only if it complies with and is subject
88 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
89 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
90 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
91 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
92 or adopted after August 28, 2007, shall be invalid and void.

93 8. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.

94 **9. Notwithstanding any other provision of law to the contrary, no tax credits shall**
95 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
96 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
97 **made may be carried forward as provided in this section.**

135.700. 1. For all tax years beginning on or after January 1, 1999, a grape grower or
2 wine producer shall be allowed a tax credit against the state tax liability incurred pursuant to
3 chapter 143, exclusive of the provisions relating to the withholding of tax as provided in sections
4 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of all new

5 equipment and materials used directly in the growing of grapes or the production of wine in the
6 state. Each grower or producer shall apply to the department of economic development and
7 specify the total amount of such new equipment and materials purchased during the calendar
8 year. The department of economic development shall certify to the department of revenue the
9 amount of such tax credit to which a grape grower or wine producer is entitled pursuant to this
10 section. The provisions of this section notwithstanding, a grower or producer may only apply
11 for and receive the credit authorized by this section for five tax periods.

12 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
13 **be authorized under this section after August 28, 2014, or issued after December 31, 2015,**
14 **and any such tax credit issued before January 1, 2016, that is not redeemed in the period**
15 **the contribution was made may be carried forward to the taxpayer's ten subsequent**
16 **taxable years, but no more than ten percent of the amount of such tax credit that is carried**
17 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
18 **amount carried forward as provided in this subsection shall be redeemed unless and until**
19 **the estimate of the redemption of such credits has been reviewed and approved as provided**
20 **in subsection 4 of section 33.282.**

135.967. 1. A taxpayer who establishes a new business facility may, upon approval by
2 the department, be allowed a credit, each tax year for up to ten tax years, in an amount
3 determined as set forth in this section, against the tax imposed by chapter 143, excluding
4 withholding tax imposed by sections 143.191 to 143.265. No taxpayer shall receive multiple
5 ten-year periods for subsequent expansions at the same facility.

6 2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes
7 a new business facility in an enhanced enterprise zone and is awarded state tax credits under this
8 section may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to
9 135.286, or section 135.535, and may not simultaneously receive tax credits under sections
10 620.1875 to 620.1890 at the same facility.

11 3. No credit shall be issued pursuant to this section unless:

12 (1) The number of new business facility employees engaged or maintained in
13 employment at the new business facility for the taxable year for which the credit is claimed
14 equals or exceeds two; and

15 (2) The new business facility investment for the taxable year for which the credit is
16 claimed equals or exceeds one hundred thousand dollars.

17 4. The annual amount of credits allowed for an approved enhanced business enterprise
18 shall be the lesser of:

19 (1) The annual amount authorized by the department for the enhanced business
20 enterprise, which shall be limited to the projected state economic benefit, as determined by the
21 department; or

22 (2) The sum calculated based upon the following:

23 (a) A credit of four hundred dollars for each new business facility employee employed
24 within an enhanced enterprise zone;

25 (b) An additional credit of four hundred dollars for each new business facility employee
26 who is a resident of an enhanced enterprise zone;

27 (c) An additional credit of four hundred dollars for each new business facility employee
28 who is paid by the enhanced business enterprise a wage that exceeds the average wage paid
29 within the county in which the facility is located, as determined by the department; and

30 (d) A credit equal to two percent of new business facility investment within an enhanced
31 enterprise zone.

32 5. Prior to January 1, 2007, in no event shall the department authorize more than four
33 million dollars annually to be issued for all enhanced business enterprises. After December 31,
34 2006, in no event shall the department authorize more than twenty-four million dollars annually
35 to be issued for all enhanced business enterprises.

36 6. If a facility, which does not constitute a new business facility, is expanded by the
37 taxpayer, the expansion shall be considered eligible for the credit allowed by this section if:

38 (1) The taxpayer's new business facility investment in the expansion during the tax
39 period in which the credits allowed in this section are claimed exceeds one hundred thousand
40 dollars and if the number of new business facility employees engaged or maintained in
41 employment at the expansion facility for the taxable year for which credit is claimed equals or
42 exceeds two, and the total number of employees at the facility after the expansion is at least two
43 greater than the total number of employees before the expansion; and

44 (2) The taxpayer's investment in the expansion and in the original facility prior to
45 expansion shall be determined in the manner provided in subdivision (19) of section 135.950.

46 7. The number of new business facility employees during any taxable year shall be
47 determined by dividing by twelve the sum of the number of individuals employed on the last
48 business day of each month of such taxable year. If the new business facility is in operation for
49 less than the entire taxable year, the number of new business facility employees shall be
50 determined by dividing the sum of the number of individuals employed on the last business day
51 of each full calendar month during the portion of such taxable year during which the new
52 business facility was in operation by the number of full calendar months during such period. For
53 the purpose of computing the credit allowed by this section in the case of a facility which
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new

55 business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section
56 135.950, or subdivision (25) of section 135.950, the number of new business facility employees
57 at such facility shall be reduced by the average number of individuals employed, computed as
58 provided in this subsection, at the facility during the taxable year immediately preceding the
59 taxable year in which such expansion, acquisition, or replacement occurred and shall further be
60 reduced by the number of individuals employed by the taxpayer or related taxpayer that was
61 subsequently transferred to the new business facility from another Missouri facility and for which
62 credits authorized in this section are not being earned, whether such credits are earned because
63 of an expansion, acquisition, relocation, or the establishment of a new facility.

64 8. In the case where a new business facility employee who is a resident of an enhanced
65 enterprise zone for less than a twelve-month period is employed for less than a twelve-month
66 period, the credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section
67 shall be determined by multiplying four hundred dollars by a fraction, the numerator of which
68 is the number of calendar days during the taxpayer's tax year for which such credits are claimed,
69 in which the employee was a resident of an enhanced enterprise zone, and the denominator of
70 which is three hundred sixty-five.

71 9. For the purpose of computing the credit allowed by this section in the case of a facility
72 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case
73 of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17)
74 of section 135.950 or subdivision (25) of section 135.950, the amount of the taxpayer's new
75 business facility investment in such facility shall be reduced by the average amount, computed
76 as provided in subdivision (19) of section 135.950 for new business facility investment, of the
77 investment of the taxpayer, or related taxpayer immediately preceding such expansion or
78 replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new
79 business facility investment shall also be reduced by the amount of investment employed by the
80 taxpayer or related taxpayer which was subsequently transferred to the new business facility from
81 another Missouri facility and for which credits authorized in this section are not being earned,
82 whether such credits are earned because of an expansion, acquisition, relocation, or the
83 establishment of a new facility.

84 10. For a taxpayer with flow-through tax treatment to its members, partners, or
85 shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to
86 their share of ownership on the last day of the taxpayer's tax period.

87 11. Credits may not be carried forward but shall be claimed for the taxable year during
88 which commencement of commercial operations occurs at such new business facility, and for
89 each of the nine succeeding taxable years for which the credit is issued.

90 12. Certificates of tax credit authorized by this section may be transferred, sold, or
91 assigned by filing a notarized endorsement thereof with the department that names the transferee,
92 the amount of tax credit transferred, and the value received for the credit, as well as any other
93 information reasonably requested by the department. The sale price cannot be less than
94 seventy-five percent of the par value of such credits.

95 13. The director of revenue shall issue a refund to the taxpayer to the extent that the
96 amount of credits allowed in this section exceeds the amount of the taxpayer's income tax.

97 14. Prior to the issuance of tax credits, the department shall verify through the
98 department of revenue, or any other state department, that the tax credit applicant does not owe
99 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
100 fees or assessments levied by any state department and through the department of insurance,
101 financial institutions and professional registration that the applicant does not owe any delinquent
102 insurance taxes. Such delinquency shall not affect the authorization of the application for such
103 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax
104 delinquency. If the department of revenue or the department of insurance, financial institutions
105 and professional registration, or any other state department, concludes that a taxpayer is
106 delinquent after June fifteenth but before July first of any year and the application of tax credits
107 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer
108 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions
109 to tax shall be tolled. After applying all available credits toward a tax delinquency, the
110 administering agency shall notify the appropriate department, and that department shall update
111 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after
112 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be
113 issued to the applicant, subject to the restrictions of other provisions of law.

114 **15. (1) Except as provided in subdivision (2) of this subsection, notwithstanding**
115 **any other provision of law to the contrary, any tax credit issued under sections 135.950 to**
116 **135.970 on or before August 28, 2013, that is not redeemed in the period the contribution**
117 **was made may be carried forward as provided in this section.**

118 **(2) All tax credits issued under the enhanced enterprise zone tax credit program**
119 **created under sections 135.950 to 135.973 shall be administered as provided in section**
120 **620.2020.**

135.968. 1. A taxpayer who establishes a megaproject, approved by the department,
2 within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax
3 revenues and other economic stimuli that will be generated from the new jobs created by the
4 megaproject, be allowed an income tax credit equal to the percentage of actual new annual
5 payroll of the taxpayer attributable to employees directly related to the manufacturing and

6 assembly process and administration, as provided under subsection 4 of this section. A taxpayer
7 seeking approval of a megaproject shall submit an application to the department. The
8 department shall not approve any megaproject after December 31, 2008. The department shall
9 not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event
10 shall the department authorize more than forty million dollars to be issued annually for all
11 megaprojects. The total amount of credits issued under this section shall not exceed two hundred
12 forty million dollars.

13 2. In considering applications for approval of megaprojects, the department may approve
14 an application if:

15 (1) The taxpayer's project is financially sound and the taxpayer has adequately
16 demonstrated an ability to successfully undertake and complete the megaproject. This
17 determination shall be supported by a professional third-party market feasibility analysis
18 conducted on behalf of the state by a firm with direct experience with the industry of the
19 proposed megaproject, and by a professional third-party financial analysis of the taxpayer's
20 ability to complete the project;

21 (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided
22 is reasonable and sound;

23 (3) The taxpayer's megaproject will create new jobs that were not jobs previously
24 performed by employees of the taxpayer or a related taxpayer in Missouri;

25 (4) Local taxing entities are providing a significant level of incentives for the
26 megaproject relative to the projected new local tax revenues created by the megaproject;

27 (5) There is at least one other state or foreign country that the taxpayer verifies is being
28 considered for the project, and receiving megaproject tax credits is a major factor in the
29 taxpayer's decision to go forward with the project and not receiving the credit will result in the
30 taxpayer not creating new jobs in Missouri;

31 (6) The megaproject will be located in an enhanced enterprise zone which constitutes
32 an economic or social liability and a detriment to the public health, safety, morals, or welfare in
33 its present condition and use;

34 (7) The completion of the megaproject will serve an essential public municipal purpose
35 by creating a substantial number of new jobs for citizens, increasing their purchasing power,
36 improving their living conditions, and relieving the demand for unemployment and welfare
37 assistance thereby promoting the economic development of the enhanced enterprise zone, the
38 municipality, and the state; and

39 (8) The creation of new jobs will assist the state in providing the services needed to
40 protect the health, safety, and social and economic well-being of the citizens of the state.

41 3. Prior to final approval of an application, a binding contract shall be executed between
42 the taxpayer and the department of economic development which shall include, but not be
43 limited to:

44 (1) A repayment plan providing for cash payment to the state general revenue fund which
45 shall result in a positive internal rate of return to the state and fully comply with the provisions
46 of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The
47 rate of return shall be commercially reasonable and, over the life of the project, exceed one
48 hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year
49 tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified
50 by a professional third-party financial analysis;

51 (2) The taxpayer's obligation to construct a facility of at least one million square feet
52 within five years from the date of approval;

53 (3) A requirement that the issuance of tax credits authorized under this section shall
54 cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in
55 an amount equal to all credits previously issued less any amounts previously repaid, increased
56 by an additional amount that shall provide the state a reasonable rate of return, in the event the
57 taxpayer:

58 (a) Fails to construct a facility of at least one million square feet within five years of the
59 date of approval;

60 (b) Fails to make a scheduled payment as required by the repayment plan; or

61 (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage
62 or fails to offer health insurance to all such new jobs and pay at least eighty percent of such
63 premiums; and

64 (4) A requirement that the department shall suspend issuance of tax credits authorized
65 under this section if, at any point, the total amount of tax credits issued less the total amount of
66 repayments received equals one hundred and fifty-five million dollars.

67 4. Upon approval of an application by the department, tax credits shall be issued
68 annually for a period not to exceed eight years from the commencement of commercial
69 operations of the megaproject. The eight-year period for the issuance of megaproject tax credits
70 may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage
71 of the annual payroll of the taxpayer for new jobs located at the megaproject which may be
72 approved or issued by the department for tax credits shall not exceed:

73 (1) Eighty percent for the first three years that tax credits will be issued for the
74 megaproject;

75 (2) Sixty percent for the next two subsequent years;

76 (3) Fifty percent for the next two subsequent years; and

77 (4) Thirty percent for the remaining year. In no event shall the department issue more
78 than forty million dollars annually in megaproject tax credits to any taxpayer. In any given year,
79 the amount of tax credits issued shall be the lesser of forty million dollars, the applicable annual
80 payroll percentage, or the amount of tax credits remaining unissued under the two hundred forty
81 million dollar limitation on megaproject tax credit issuance provided under subsection 1 of this
82 section.

83 5. Tax credits issued under this section may be claimed against the tax imposed by
84 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

85

86 For taxpayers with flow-through tax treatment of its members, partners, or shareholders, the
87 credit shall be allowed to members, partners, or shareholders in proportion to their share of
88 ownership on the last day of the taxpayer's tax period. The director of revenue shall issue a
89 refund to a taxpayer to the extent the amount of credits allowed in this section exceeds the
90 amount of the taxpayer's income tax liability in the year redemption is authorized. An owner of
91 tax credits issued under this section shall not be required to have any Missouri income tax
92 liability in order to redeem such tax credits and receive a refund. The director of revenue shall
93 prepare a form to permit the owner of such tax credits to obtain a refund.

94 6. Certificates of tax credits authorized under this section may be transferred, sold, or
95 assigned by filing a notarized endorsement thereof with the department that names the transferee,
96 the amount of tax credit transferred, and the value received for the credit, as well as any other
97 information reasonably requested by the department. Upon such transfer, sale, or assignment,
98 the transferee shall be the owner of such tax credits entitled to claim the tax credits or any
99 refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past
100 the year of issuance. Tax credits authorized by this section may not be pledged or used to secure
101 any bonds or other indebtedness issued by the state or any political subdivision of the state.
102 Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from
103 pledging the tax credits to any lender or other third party.

104 7. Any taxpayer issued tax credits under this section shall provide an annual report to the
105 department and the house and senate appropriations committees of the number of new jobs
106 located at the megaproject, the new annual payroll of such new jobs, and such other information
107 as may be required by the department to document the basis for benefits under this section. The
108 department may withhold the approval of the annual issuance of any tax credits until it is
109 satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect
110 any reduction in new payroll. If the department determines the average wage is below the county
111 average wage, or the taxpayer has not maintained employee health insurance as required, the
112 taxpayer shall not receive tax credits for that year.

8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890.

9. Any action brought in any court contesting the approval of a megaproject and the issuance of the tax credits, or any other action undertaken pursuant to this section related to such megaproject, shall be filed within ninety days following approval of the megaproject by the department.

10. Records and documents relating to a proposed megaproject shall be deemed closed records until such time as the application has been approved. Provisions of this subsection to the contrary notwithstanding, records containing business plan information which may endanger the competitiveness of the business shall remain closed.

11. Notwithstanding any provision of this section to the contrary, no taxpayer who receives megaproject tax credits authorized under this section or any related taxpayer shall employ, prior to January 1, 2022, directly:

(1) Any elected public official of this state holding office as of January 1, 2008;

(2) Any director, deputy director, division director, or employee directly involved in negotiations between the department of economic development and a taxpayer relative to the megaproject who was employed as of January 1, 2008, by the department.

12. (1) Except as provided in subdivision (2) of this subsection, notwithstanding any other provision of law to the contrary, any tax credit issued under sections 135.950 to 135.970 on or before August 28, 2013, that is not redeemed in the period the contribution was made may be carried forward as provided in this section.

(2) All tax credits issued under the enhanced enterprise zone tax credit program created under sections 135.950 to 135.973 shall be administered as provided in section 620.2020.

135.1150. 1. This section shall be known and may be cited as the "Residential Treatment Agency Tax Credit Act".

2. As used in this section, the following terms mean:

(1) "Certificate", a tax credit certificate issued under this section;

(2) "Department", the Missouri department of social services;

(3) "Eligible donation", donations received from a taxpayer by an agency that are used solely to provide direct care services to children who are residents of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real estate that will be valued and documented according to rules promulgated by the department of social services. For purposes of this section, "direct care services" include but are not limited to increasing the quality of care and service for children through improved employee compensation and training;

12 (4) "Qualified residential treatment agency" or "agency", a residential care facility that
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint
14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri
16 department of social services to provide treatment services for children who are residents or
17 wards of residents of this state, and that receives eligible donations. Any agency that operates
18 more than one facility or at more than one location shall be eligible for the tax credit under this
19 section only for any eligible donation made to facilities or locations of the agency which are
20 licensed and accredited;

21 (5) "Taxpayer", any of the following individuals or entities who make an eligible
22 donation to an agency:

23 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
24 doing business in the state of Missouri and subject to the state income tax imposed in chapter
25 143;

26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium receipts in this
28 state;

29 (d) Any other financial institution paying taxes to the state of Missouri or any political
30 subdivision of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter 143;

32 (f) Any charitable organization which is exempt from federal income tax and whose
33 Missouri unrelated business taxable income, if any, would be subject to the state income tax
34 imposed under chapter 143.

35 3. For all taxable years beginning on or after January 1, 2007, **but ending on or before**
36 **December 31, 2013**, any taxpayer shall be allowed a credit against the taxes otherwise due under
37 chapter 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to 143.265,
38 in an amount equal to fifty percent of the amount of an eligible donation, subject to the
39 restrictions in this section. The amount of the tax credit claimed shall not exceed the amount of
40 the taxpayer's state income tax liability in the tax year for which the credit is claimed. Any
41 amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall
42 not be refundable, but may be carried forward to any of the taxpayer's four subsequent taxable
43 years.

44 4. To claim the credit authorized in this section, an agency may submit to the department
45 an application for the tax credit authorized by this section on behalf of taxpayers. The
46 department shall verify that the agency has submitted the following items accurately and
47 completely:

- 48 (1) A valid application in the form and format required by the department;
- 49 (2) A statement attesting to the eligible donation received, which shall include the name
50 and taxpayer identification number of the individual making the eligible donation, the amount
51 of the eligible donation, and the date the eligible donation was received by the agency; and
- 52 (3) Payment from the agency equal to the value of the tax credit for which application
53 is made. If the agency applying for the tax credit meets all criteria required by this subsection,
54 the department shall issue a certificate in the appropriate amount.
- 55 5. An agency may apply for tax credits in an aggregate amount that does not exceed the
56 payments made by the department to the agency in the preceding twelve months.
- 57 6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
58 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
59 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a
60 notarized endorsement shall be filed with the department specifying the name and address of the
61 new owner of the tax credit or the value of the credit.
- 62 7. The department shall promulgate rules to implement the provisions of this section.
63 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
64 authority delegated in this section shall become effective only if it complies with and is subject
65 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
66 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
67 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
68 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
69 or adopted after August 28, 2006, shall be invalid and void.
- 70 8. **(1) For all taxable years beginning on or after January 1, 2014, no credit shall**
71 **be allowed under this section, but any taxpayer shall be eligible to claim a deduction as**
72 **allowed under this section.**
- 73 **(2) As used in this subsection, the term "deduction" means an amount subtracted**
74 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income,**
75 **or federal taxable income in the case of a corporation, for the tax year in which such**
76 **deduction is claimed.**
- 77 **(3) In addition to all deductions provided by law, for all taxable years beginning**
78 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for donations made**
79 **as provided in this section. Tax deductions allowed to any partnership, limited liability**
80 **company, S-corporation, or other pass-through entity may be allocated to the partners,**
81 **members, or shareholders of such entity for their direct use in accordance with the**
82 **provisions of any agreement among such partners, members, or shareholders. The amount**
83 **of such deduction shall be equal to the amounts allowed for tax credits before January 1,**

84 **2014, as provided in this section. All deductions allowed under this subsection shall be**
85 **subject to the same procedures and requirements for taxpayers claiming tax credits under**
86 **this section, and shall be administered as other tax deductions are administered as**
87 **provided by law.**

88 **9.** Under section 23.253 of the Missouri sunset act:

89 (1) The program authorized under this section shall [expire] **sunset** on December 31,
90 [2015] **2026**; and

91 (2) [This section shall terminate on September] **Any tax credit issued or deduction**
92 **claimed under this section shall be redeemed or claimed before January 1, [2016] 2027.**

135.1180. 1. This section shall be known and may be cited as the "Developmental
2 Disability Care Provider Tax Credit Program".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received by a provider from a taxpayer that are used
7 solely to provide direct care services to persons with developmental disabilities who are residents
8 of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real
9 estate that will be valued and documented according to rules promulgated by the department of
10 social services. For purposes of this section, "direct care services" include, but are not limited
11 to, increasing the quality of care and service for persons with developmental disabilities through
12 improved employee compensation and training;

13 (4) "Qualified developmental disability care provider" or "provider", a care provider that
14 provides assistance to persons with developmental disabilities, and is accredited by the Council
15 on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations
16 (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), or is under
17 contract with the Missouri department of social services or department of mental health to
18 provide treatment services for such persons, and that receives eligible donations. Any provider
19 that operates more than one facility or at more than one location shall be eligible for the tax
20 credit under this section only for any eligible donation made to facilities or locations of the
21 provider which are licensed or accredited;

22 (5) "Taxpayer", any of the following individuals or entities who make an eligible
23 donation to a provider:

24 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
25 doing business in the state of Missouri and subject to the state income tax imposed in chapter
26 143;

27 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

28 (c) An insurance company paying an annual tax on its gross premium receipts in this
29 state;

30 (d) Any other financial institution paying taxes to the state of Missouri or any political
31 subdivision of this state under chapter 148;

32 (e) An individual subject to the state income tax imposed in chapter 143;

33 (f) Any charitable organization which is exempt from federal income tax and whose
34 Missouri unrelated business taxable income, if any, would be subject to the state income tax
35 imposed under chapter 143.

36 3. For all taxable years beginning on or after January 1, 2012, **but ending on or before**
37 **December 31, 2013**, any taxpayer shall be allowed a credit against the taxes otherwise due under
38 chapter 143, 147, or 148 excluding withholding tax imposed by sections 143.191 to 143.265 in
39 an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions
40 in this section. The amount of the tax credit claimed shall not exceed the amount of the
41 taxpayer's state income tax liability in the tax year for which the credit is claimed. Any amount
42 of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be
43 refundable[, but may be carried forward to any of the taxpayer's four subsequent taxable years].

44 4. To claim the credit authorized in this section, a provider may submit to the department
45 an application for the tax credit authorized by this section on behalf of taxpayers. The
46 department shall verify that the provider has submitted the following items accurately and
47 completely:

48 (1) A valid application in the form and format required by the department;

49 (2) A statement attesting to the eligible donation received, which shall include the name
50 and taxpayer identification number of the individual making the eligible donation, the amount
51 of the eligible donation, and the date the eligible donation was received by the provider; and

52 (3) Payment from the provider equal to the value of the tax credit for which application
53 is made.

54

55 If the provider applying for the tax credit meets all criteria required by this subsection, the
56 department shall issue a certificate in the appropriate amount.

57 5. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
58 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
59 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a
60 notarized endorsement shall be filed with the department specifying the name and address of the
61 new owner of the tax credit or the value of the credit.

62 6. The department shall promulgate rules to implement the provisions of this section.
63 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the

64 authority delegated in this section shall become effective only if it complies with and is subject
65 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
66 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
67 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
68 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
69 or adopted after August 28, 2012, shall be invalid and void.

70 7. [Under section 23.253 of the Missouri sunset act:

71 (1) The provisions of the new program authorized under this section shall automatically
72 sunset on December 31, 2016, unless reauthorized by an act of the general assembly; and

73 (2) If such program is reauthorized, the program authorized under this section shall
74 automatically sunset twelve years after the effective date of the reauthorization of this section;
75 and

76 (3) This section shall terminate on September first of the calendar year immediately
77 following the calendar year in which the program authorized under this section is sunset.] (1)
78 **For all taxable years beginning on or after January 1, 2014, no credit shall be allowed**
79 **under this section, but any taxpayer shall be eligible to claim a deduction as allowed under**
80 **this section.**

81 (2) **As used in this subsection, the term "deduction" means an amount subtracted**
82 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income,**
83 **or federal taxable income in the case of a corporation, for the tax year in which such**
84 **deduction is claimed.**

85 (3) **In addition to all deductions provided by law, for all taxable years beginning**
86 **on or after January 1, 2014, a taxpayer shall be allowed a deduction for donations made**
87 **as provided in this section. Tax deductions allowed to any partnership, limited liability**
88 **company, S-corporation, or other pass-through entity may be allocated to the partners,**
89 **members, or shareholders of such entity for their direct use in accordance with the**
90 **provisions of any agreement among such partners, members, or shareholders. The amount**
91 **of such deduction shall be equal to the amounts allowed for tax credits before January 1,**
92 **2014, as provided in this section. All deductions allowed under this subsection shall be**
93 **subject to the same procedures and requirements for taxpayers claiming tax credits under**
94 **this section, and shall be administered as other tax deductions are administered as**
95 **provided by law.**

137.1018. 1. The commission shall ascertain the statewide average rate of property taxes
2 levied the preceding year, based upon the total assessed valuation of the railroad and street
3 railway companies and the total property taxes levied upon the railroad and street railway
4 companies. It shall determine total property taxes levied from reports prescribed by the

5 commission from the railroad and street railway companies. Total taxes levied shall not include
6 revenues from the surtax on subclass three real property.

7 2. The commission shall report its determination of average property tax rate for the
8 preceding year, together with the taxable distributable assessed valuation of each freight line
9 company for the current year to the director no later than October first of each year.

10 3. Taxes on property of such freight line companies shall be collected at the state level
11 by the director on behalf of the counties and other local public taxing entities and shall be
12 distributed in accordance with sections 137.1021 and 137.1024. The director shall tax such
13 property based upon the distributable assessed valuation attributable to Missouri of each freight
14 line company, using the average tax rate for the preceding year of the railroad and street railway
15 companies certified by the commission. Such tax shall be due and payable on or before
16 December thirty-first of the year levied and, if it becomes delinquent, shall be subject to a penalty
17 equal to that specified in section 140.100.

18 4. (1) As used in this subsection, the following terms mean:

19 (a) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or
20 improve a freight line company's qualified rolling stock;

21 (b) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to
22 the tax levied under this section.

23 (2) For all taxable years beginning on or after January 1, 2009, a freight line company
24 shall, subject to appropriation, be allowed a credit against the tax levied under this section for
25 the applicable tax year. The tax credit amount shall be equal to the amount of eligible expenses
26 incurred during the calendar year immediately preceding the tax year for which the credit under
27 this section is claimed. The amount of the tax credit issued shall not exceed the freight line
28 company's liability for the tax levied under this section for the tax year for which the credit is
29 claimed.

30 (3) A freight line company may apply for the credit by submitting to the commission an
31 application in the form prescribed by the state tax commission.

32 (4) Subject to appropriation, the state shall reimburse, on an annual basis, any political
33 subdivision of this state for any decrease in revenue due to the provisions of this subsection.

34 5. [Pursuant to section 23.253 of the Missouri sunset act:

35 (1) The program authorized under this section shall expire on August 28, 2020; and

36 (2) This section shall terminate on September 1, 2021.] **Notwithstanding any other**
37 **provision of law to the contrary, no tax credits shall be authorized or issued under this**
38 **section after December 31, 2015, and any such tax credit issued before January 1, 2016,**
39 **that is not redeemed in the period the contribution was made may be carried forward to**
40 **the taxpayer's ten subsequent taxable years, but no more than ten percent of the amount**

41 of such tax credit that is carried forward shall be redeemed in any single subsequent
 42 taxable year. No percentage of the amount carried forward as provided in this subsection
 43 shall be redeemed unless and until the estimate of the redemption of such credits has been
 44 reviewed and approved as provided in subsection 4 of section 33.282.

143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable
 2 income of every resident.

3 2. For all taxable years ending on or before December 31, 2013, the tax shall be
 4 determined by applying the tax table or the rate provided in section 143.021, which is based upon
 5 the following rates:

6

7 If the Missouri taxable income is: The tax is:

8

9 Not over \$1,000.00	1 1/2% of the Missouri taxable income
10 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
11 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
12 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
13 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
14 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
15 Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
16 Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
17 Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
18 Over \$9,000	\$315 plus 6% of excess over \$9,000

19 3. For all taxable years beginning on or after January 1, 2014, but ending on or
 20 before December 31, 2016, the tax shall be determined by applying the tax table listed in
 21 this subsection or the rate provided in section 143.021, which is based upon the following
 22 rates:

23

24 If the Missouri taxable income is: The tax is:

25

26 Not over \$1,000.00	1 1/2% of the Missouri taxable income
27 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
28 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
29 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
30 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
31 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
32 Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000

33	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
34	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
35	Over \$9,000	\$315 plus 5.85% of excess over \$9,000

36 **4. For all taxable years beginning on or after January 1, 2017, the tax shall be**
 37 **determined by applying the tax table listed in this subsection or the rate provided in section**
 38 **143.021, which is based upon the following rates:**

39

40 **If the Missouri taxable income is:** **The tax is:**

41

42	Not over \$1,000.00	1 1/2% of the Missouri taxable income
43	Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
44	Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
45	Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
46	Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
47	Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
48	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
49	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
50	Over \$8,000	\$260 plus 5.45% of excess over \$8,000

143.021. 1. **For all taxable years ending on or before December 31, 2016, every**
 2 **resident having a taxable income of less than nine thousand dollars shall determine [his] the**
 3 **resident's tax from a tax table prescribed by the director of revenue and based upon the rates**
 4 **provided in section 143.011. The tax table shall be on the basis of one hundred dollar increments**
 5 **of taxable income below nine thousand dollars. The tax provided in the table shall be the**
 6 **amount rounded to the nearest whole dollar by applying the rates in section 143.011 to the**
 7 **taxable income at the midpoint of each increment, except there shall be no tax on a taxable**
 8 **income of less than one hundred dollars. Every resident having a taxable income of nine**
 9 **thousand dollars or more shall determine [his] the resident's tax from the rate provided in**
 10 **section 143.011.**

11 **2. For all taxable years beginning on or after January 1, 2017, every resident**
 12 **having a taxable income of less than eight thousand dollars shall determine the resident's**
 13 **tax from a tax table prescribed by the director of revenue and based upon the rates**
 14 **provided in subsection 4 of section 143.011. The tax table shall be on the basis of one**
 15 **hundred dollar increments of taxable income below eight thousand dollars. The tax**
 16 **provided in the table shall be the amount rounded to the nearest whole dollar by applying**
 17 **the rates in subsection 4 of section 143.011 to the taxable income at the midpoint of each**
 18 **increment, except there shall be no tax on a taxable income of less than one hundred**

19 **dollars. Every resident having a taxable income of eight thousand dollars or more shall**
20 **determine the resident's tax from the rate provided in subsection 4 of section 143.011.**

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal
2 revenue code, who is otherwise ineligible for the federal income tax health insurance deduction
3 under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax
4 otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to
5 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due
6 to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits
7 authorized under this section shall be nontransferable. [To the extent tax credit issued under this
8 section exceeds a taxpayer's state income tax liability, such excess shall be considered an
9 overpayment of tax and shall be refunded to the taxpayer.]

10 2. The director of the department of revenue shall promulgate rules and regulations to
11 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
12 in section 536.010, that is created under the authority delegated in this section shall become
13 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
14 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
15 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
16 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
17 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid
18 and void.

19 3. **Notwithstanding any other provision of law to the contrary, no tax credits shall**
20 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
21 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
22 **made may be carried forward to the taxpayer's ten subsequent taxable years, but no more**
23 **than ten percent of the amount of such tax credit that is carried forward shall be redeemed**
24 **in any single subsequent taxable year. No percentage of the amount carried forward as**
25 **provided in this subsection shall be redeemed unless and until the estimate of the**
26 **redemption of such credits has been reviewed and approved as provided in subsection 4**
27 **of section 33.282.**

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue
2 Code, shall not be subject to the taxes imposed by section 143.071, or other sections imposing
3 income tax on corporations.

4 2. A shareholder of an S corporation shall determine such shareholder's S corporation
5 modification and pro rata share, including its character, by applying the following:

6 (1) Any modification described in sections 143.121 and 143.141 which relates to an item
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the

8 shareholder's pro rata share, for federal income tax purposes, of the item to which the
9 modification relates. Where a shareholder's pro rata share of any such item is not required to be
10 taken into account separately for federal income tax purposes, the shareholder's pro rata share
11 of such item shall be determined in accordance with his pro rata share, for federal income tax
12 purposes, of S corporation taxable income or loss generally;

13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same
14 character for a shareholder pursuant to sections 143.005 to 143.998 as it has for federal income
15 tax purposes. Where an item is not characterized for federal income tax purposes, it shall have
16 the same character for a shareholder as if realized directly from the source from which realized
17 by the S corporation or incurred in the same manner as incurred by the S corporation.

18 3. A nonresident shareholder of an S corporation shall determine such shareholder's
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification
20 by applying the provisions of this subsection. Items shall be determined to be from sources
21 within this state pursuant to regulations of the director of revenue in a manner consistent with
22 the division of income provisions of section 143.451, section 143.461, or section 32.200
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident
24 shareholder of any S corporation, there shall be included only that part derived from or connected
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,
26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is
27 determined pursuant to regulations prescribed by the director of revenue in accordance with the
28 general rules in section 143.181. Any modification described in subsections 2 and 3 of section
29 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or
30 deduction shall be made in accordance with the shareholder's pro rata share, for federal income
31 tax purposes, of the item to which the modification relates, but limited to the portion of such item
32 derived from or connected with sources in this state.

33 4. The director of revenue shall permit S corporations to file composite returns and to
34 make composite payments of tax on behalf of its nonresident shareholders not otherwise required
35 to file a return. If the nonresident shareholder's filing requirements result solely from one or
36 more interests in any other partnerships or subchapter S corporations, that nonresident
37 shareholder may be included in the composite return.

38 5. If an S corporation pays or credits amounts to any of its nonresident individual
39 shareholders as dividends or as their share of the S corporation's undistributed taxable income
40 for the taxable year, the S corporation shall either timely file with the department of revenue an
41 agreement as provided in subsection 6 of this section or withhold Missouri income tax as
42 provided in subsection 7 of this section. An S corporation that timely files an agreement as
43 provided in subsection 6 of this section with respect to a nonresident shareholder for a taxable

44 year shall be considered to have timely filed such an agreement for each subsequent taxable year.
45 An S corporation that does not timely file such an agreement for a taxable year shall not be
46 precluded from timely filing such an agreement for subsequent taxable years. An S corporation
47 is not required to deduct and withhold Missouri income tax for a nonresident shareholder if:

48 (1) The nonresident shareholder not otherwise required to file a return agrees to have the
49 Missouri income tax due paid as part of the S corporation's composite return;

50 (2) The nonresident shareholder not otherwise required to file a return had Missouri
51 assignable federal adjusted gross income from the S corporation of less than twelve hundred
52 dollars;

53 (3) The S corporation is liquidated or terminated;

54 (4) Income was generated by a transaction related to termination or liquidation; or

55 (5) No cash or other property was distributed in the current and prior taxable year.

56 6. The agreement referred to in subdivision (1) of subsection 5 of this section is an
57 agreement of a nonresident shareholder of the S corporation to:

58 (1) File a return in accordance with the provisions of section 143.481 and to make timely
59 payment of all taxes imposed on the shareholder by this state with respect to income of the S
60 corporation; and

61 (2) Be subject to personal jurisdiction in this state for purposes of the collection of
62 income taxes, together with related interest and penalties, imposed on the shareholder by this
63 state with respect to the income of the S corporation.

64

65 The agreement will be considered timely filed for a taxable year, and for all subsequent taxable
66 years, if it is filed at or before the time the annual return for such taxable year is required to be
67 filed pursuant to section 143.511.

68 7. The amount of Missouri income tax to be withheld is determined by multiplying the
69 amount of dividends or undistributed income allocable to Missouri that is paid or credited to a
70 nonresident shareholder during the taxable year by the highest rate used to determine a Missouri
71 income tax liability for an individual, except that the amount of the tax withheld may be
72 determined based on withholding tables provided by the director of revenue if the shareholder
73 submits a Missouri withholding allowance certificate.

74 8. An S corporation shall be entitled to recover for a shareholder on whose behalf a tax
75 payment was made pursuant to this section, if such shareholder has no tax liability.

76 9. With respect to S corporations that are banks or bank holding companies, a pro rata
77 share of the tax credit for the tax payable pursuant to chapter 148 shall be allowed against each
78 S corporation shareholders' state income tax as follows, provided the bank otherwise complies
79 with section 148.112:

80 (1) The credit allowed by this subsection shall be equal to the bank tax calculated
81 pursuant to chapter 148 based on bank income in 1999 and after, on a bank that makes an
82 election pursuant to 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying
83 shareholder according to stock ownership, determined by multiplying a fraction, where the
84 numerator is the shareholder's stock, and the denominator is the total stock issued by such bank
85 or bank holding company;

86 (2) The tax credit authorized in this subsection shall be permitted only to the
87 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
88 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
89 stock is held by the shareholder during the taxable period. The credit created by this section on
90 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
91 returns. A bank holding company is not allowed this credit, except that, such credit shall flow
92 through to such bank holding company's qualified shareholders, and be allocated to such
93 shareholders under the same conditions; and

94 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
95 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
96 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
97 taxable income.

98 10. With respect to S corporations that are associations, a pro rata share of the tax credit
99 for the tax payable under chapter 148 shall be allowed against each S corporation shareholders'
100 state income tax as follows, provided the association otherwise complies with section 148.655:

101 (1) The credit allowed by this subsection shall be equal to the savings and loan
102 association tax calculated under chapter 148 based on the computations provided in section
103 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit
104 shall be allocated to the qualifying shareholder according to stock ownership, determined by
105 multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is
106 the total stock issued by the association;

107 (2) The tax credit authorized in this subsection shall be permitted only to the
108 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
109 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
110 stock is held by the shareholder during the taxable period. The credit created by this section on
111 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
112 returns. A savings and loan association holding company is not allowed this credit, except that,
113 such credit shall flow through to such savings and loan association holding company's qualified
114 shareholders, and be allocated to such shareholders under the same conditions; and

(3) In the event such shareholder cannot use all or part of the tax credit in the taxable period of receipt, such shareholder may carry forward such tax credit for a period of the lesser of five years or until used, provided such credits are used as soon as the taxpayer has Missouri taxable income.

11. With respect to S corporations that are credit institutions, a pro rata share of the tax credit for the tax payable under chapter 148 shall be allowed against each S corporation shareholders' state income tax as follows, provided the credit institution otherwise complies with section 148.657:

(1) The credit allowed by this subsection shall be equal to the credit institution tax calculated under chapter 148 based on the computations provided in section 148.150 on a credit institution that makes an election under 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying shareholder according to stock ownership, determined by multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock issued by such credit institution;

(2) The tax credit authorized in this subsection shall be permitted only to the shareholders that qualify as S corporation shareholders, provided the stock at all times during the taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the taxable period. The credit created by this section on a yearly basis is available to each qualifying shareholder, including shareholders filing joint returns. A credit institution holding company is not allowed this credit, except that, such credit shall flow through to such credit institution holding company's qualified shareholders, and be allocated to such shareholders under the same conditions; and

(3) In the event such shareholder cannot use all or part of the tax credit in the taxable period of receipt, such shareholder may carry forward such tax credit for a period of the lesser of five years or until used, provided such credits are used as soon as the taxpayer has Missouri taxable income.

12. Notwithstanding any other provision of law to the contrary, no tax credits shall be authorized or issued under this section after December 31, 2015, but any tax credit issued before January 1, 2016, may be carried forward as provided in this section.

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the ordering and limit reductions for certain taxes and tax credits which may be used as credits against various taxes paid or payable by banking institutions. Except as adjusted in subsections 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

(1) The tax on banks determined under subdivision (2) of subsection 2 of section 148.030;

7 (2) The tax on banks determined under subdivision (1) of subsection 2 of section
8 148.030;

9 (3) The state income tax in section 143.071.

10 2. The tax credits permitted against taxes payable pursuant to subdivision (2) of
11 subsection 2 of section 148.030 shall be utilized first and include taxes referenced in
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce
14 such taxes. Where a banking institution subject to this section joins in the filing of a
15 consolidated state income tax return under chapter 143, the credit allowed under this section for
16 state income taxes payable under chapter 143 shall be determined based upon the consolidated
17 state income tax liability of the group and allocated to a banking institution, without reduction
18 for any tax credits identified in subsection 5 of this section which are used to reduce such
19 consolidated taxes as provided in chapter 143.

20 3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments
22 in subsection 2 of this section.

23 4. To the extent that certain tax credits which the taxpayer is entitled to claim are
24 transferable, such transferability may include transfers among such taxpayers who are members
25 of a single consolidated income tax return, and this subsection shall not impact other tax credit
26 transferability.

27 5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall
28 include tax credits available for economic development, low-income housing and neighborhood
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and
30 not of limitation, tax credits pursuant to the following sections: section 32.115, section 100.286,
31 and sections 135.110, 135.225, 135.352 and 135.403.

32 6. For tax returns filed on or after January 1, 2001, including returns based on income
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in
36 section 147.010. This tax credit shall be taken as a dollar-for-dollar credit against the bank tax
37 provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was already
38 reduced to zero by other credits, then against the corporate income tax provided for in chapter
39 143.

40 7. In the event the corporation franchise tax in chapter 147 is repealed by the general
41 assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of the loss
42 of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of section

43 148.030, the bank shall receive a tax credit equal to one and one-half percent of net income as
44 determined in this chapter. This subsection shall take effect at the same time the corporation
45 franchise tax in chapter 147 is repealed.

46 8. An S corporation bank or bank holding company that otherwise qualifies to distribute
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this
48 section to its shareholders as otherwise provided for in subsection 9 of section 143.471 with no
49 reductions or limitations resulting from the transfer through such S corporation, and on the same
50 terms originally made available to the original taxpayer, subject to any original dollar or
51 percentage limitations on such credits, and when such S corporation is the original taxpayer,
52 treating such S corporation as having not elected Subchapter S status.

53 9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in
54 chapter 147 is repealed by the general assembly, after such repeal all Missouri taxes of any nature
55 and type imposed directly or used as a tax credit against the bank's taxes shall be passed through
56 to the S corporation bank or bank holding company shareholder in the form otherwise permitted
57 by law, except for the following:

58 (1) Credits for taxes on real estate and tangible personal property owned by the bank and
59 held for lease or rental to others;

60 (2) Contributions paid pursuant to the unemployment compensation tax law of Missouri;
61 or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible
63 personal property and the services enumerated in chapter 144.

64 **10. Notwithstanding any other provision of law to the contrary, no tax credits shall**
65 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
66 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
67 **made may be carried forward to the taxpayer's ten subsequent taxable years, but no more**
68 **than ten percent of the amount of such tax credit that is carried forward shall be redeemed**
69 **in any single subsequent taxable year. No percentage of the amount carried forward as**
70 **provided in this subsection shall be redeemed unless and until the estimate of the**
71 **redemption of such credits has been reviewed and approved as provided in subsection 4**
72 **of section 33.282.**

148.400. 1. All insurance companies or associations organized in or admitted to this
2 state may deduct from premium taxes payable to this state, in addition to all other credits allowed
3 by law, income taxes, franchise taxes, personal property taxes, valuation fees, registration fees
4 and examination fees paid, including taxes and fees paid by the attorney-in-fact of a reciprocal
5 or interinsurance exchange to the extent attributable to the principal business as such
6 attorney-in-fact, under any law of this state. Unless rejected by the general assembly by April

7 1, 2003, for all tax years beginning on or after January 1, 2003, a deduction for examination fees
8 which exceeds an insurance company's or association's premium tax liability for the same tax
9 year shall not be refundable, but may be carried forward to any subsequent tax year, not to
10 exceed five years, until the full deduction is claimed; except that, notwithstanding the provisions
11 of section 148.380, if any deduction is claimed through the carryforward provisions of this
12 section, it shall be credited wholly against the general revenue fund and shall not cause a
13 reduction in revenue to the county foreign insurance fund.

14 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
15 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
16 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
17 **made may be carried forward as provided in this section.**

148.620. 1. Every taxpayer shall be subject to an annual tax for the privilege of
2 exercising its corporate franchises within the state according to and measured by its net income
3 for the preceding year.

4 2. The rate of tax for each taxable year shall be seven percent of such net income.

5 3. The tax imposed on the net income by this law shall be exclusive and in lieu of all
6 other state and local taxes against and upon credit unions and associations, their capital, or
7 income, except taxes on all property, contributions paid pursuant to the unemployment
8 compensation law of Missouri, Social Security taxes, sales and use taxes.

9 4. Each taxpayer shall be entitled to credits against the tax imposed by this law for all
10 taxes paid to the state of Missouri or any political subdivision thereof during the relevant income
11 period, except taxes on real estate and tangible personal property owned by the taxpayer and held
12 for lease or rental to others, contributions paid pursuant to the unemployment compensation law
13 of Missouri, Social Security taxes, sales and use taxes, and taxes imposed by this law.

14 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
15 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
16 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
17 **made may be carried forward to the taxpayer's ten subsequent taxable years, but no more**
18 **than ten percent of the amount of such tax credit that is carried forward shall be redeemed**
19 **in any single subsequent taxable year. No percentage of the amount carried forward as**
20 **provided in this subsection shall be redeemed unless and until the estimate of the**
21 **redemption of such credits has been reviewed and approved as provided in subsection 4**
22 **of section 33.282.**

148.655. 1. Subchapter S corporation shareholders of an association required to pay
2 franchise taxes under section 148.620 may take a tax credit against such shareholder's state

3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata
4 share of the franchise tax paid by the association as provided in this chapter.

5 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
6 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
7 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
8 **made may be carried forward to the taxpayer's ten subsequent taxable years, but no more**
9 **than ten percent of the amount of such tax credit that is carried forward shall be redeemed**
10 **in any single subsequent taxable year. No percentage of the amount carried forward as**
11 **provided in this subsection shall be redeemed unless and until the estimate of the**
12 **redemption of such credits has been reviewed and approved as provided in subsection 4**
13 **of section 33.282.**

148.657. 1. Subchapter S corporation shareholders of a credit institution required to pay
2 franchise taxes under section 148.140 may take a tax credit against such shareholder's state
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata
4 share of the franchise tax paid by the credit institution as provided in this chapter.

5 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
6 **be authorized or issued under this section after December 31, 2015, and any such tax credit**
7 **issued before January 1, 2016, that is not redeemed in the period the contribution was**
8 **made may be carried forward to the taxpayer's ten subsequent taxable years, but no more**
9 **than ten percent of the amount of such tax credit that is carried forward shall be redeemed**
10 **in any single subsequent taxable year. No percentage of the amount carried forward as**
11 **provided in this subsection shall be redeemed unless and until the estimate of the**
12 **redemption of such credits has been reviewed and approved as provided in subsection 4**
13 **of section 33.282.**

191.1056. 1. There is hereby created in the state treasury the "Missouri Health Care
2 Access Fund", which shall consist of gifts, grants, and devises deposited into the fund with
3 approval of the oversight committee created in section 208.955. The state treasurer shall be
4 custodian of the fund and may disburse moneys from the fund in accordance with sections
5 30.170 and 30.180. Disbursements from the fund shall be subject to appropriations and the
6 director shall approve disbursements from the fund consistent with such appropriations to any
7 eligible facility to attract and recruit health care professionals and other necessary personnel, to
8 purchase or rent facilities, to pay for facility expansion or renovation, to purchase office and
9 medical equipment, to pay personnel salaries, or to pay any other costs associated with providing
10 primary health care services to the population in the facility's area of defined need.

11 2. The state of Missouri shall provide matching moneys from the general revenue fund
12 equaling one-half of the amount deposited into the fund. The total annual amount available to

13 the fund from state sources under such a match program shall be five hundred thousand dollars
14 for fiscal year 2008, one million five hundred thousand dollars for fiscal year 2009, and one
15 million dollars annually thereafter.

16 3. The maximum annual donation that any one individual or corporation may make is
17 fifty thousand dollars. Any individual or corporation, excluding nonprofit corporations, that
18 make a contribution to the fund totaling one hundred dollars or more shall receive a tax credit
19 for one-half of all donations made annually under section 135.575. In addition, any office or
20 medical equipment donated to any eligible facility shall be an eligible donation for purposes of
21 receipt of a tax credit under section 135.575 but shall not be eligible for any matching funds
22 under subsection 2 of this section.

23 4. If any clinic or facility **that** has received money from the fund closes or significantly
24 decreases its operations, as determined by the department, within one year of receiving such
25 money, the amount of such money received and the amount of the match provided from the
26 general revenue fund shall be refunded to each appropriate source.

27 5. Notwithstanding the provisions of section 33.080 to the contrary, any moneys
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general
29 revenue fund.

30 6. The state treasurer shall invest moneys in the fund in the same manner as other funds
31 are invested. Any interest and moneys earned on such investments shall be credited to the fund.

32 **7. Notwithstanding any other provision of law to the contrary, no tax credits shall**
33 **be authorized or issued under sections 191.1050 to 191.1056 after December 31, 2015, and**
34 **any such tax credit issued before January 1, 2016, that is not redeemed in the period the**
35 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
36 **years, but no more than ten percent of the amount of such tax credit that is carried**
37 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
38 **amount carried forward as provided in this subsection shall be redeemed unless and until**
39 **the estimate of the redemption of such credits has been reviewed and approved as provided**
40 **in subsection 4 of section 33.282.**

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section
2 208.760 from a family development account by an account holder are exempted from taxation
3 pursuant to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and
4 chapter 147, 148 or 153 provided, however, that any money withdrawn for an unapproved use
5 should be subject to tax as required by law.

6 2. Interest earned by a family development account is exempted from taxation pursuant
7 to chapter 143.

8 3. Any funds in a family development account, including accrued interest, shall be
9 disregarded when determining eligibility to receive, or the amount of, any public assistance or
10 benefits.

11 4. A program contributor shall be allowed a credit against the tax imposed by chapter
12 143, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148
13 or 153, pursuant to sections 208.750 to 208.775. Contributions up to fifty thousand dollars per
14 program contributor are eligible for the tax credit which shall not exceed fifty percent of the
15 contribution amount.

16 5. The department of economic development shall verify all tax credit claims by
17 contributors. The administrator of the community-based organization, with the cooperation of
18 the participating financial institutions, shall submit the names of contributors and the total
19 amount each contributor contributes to a family development account reserve fund for the
20 calendar year. The director shall determine the date by which such information shall be
21 submitted to the department by the local administrator. The department shall submit verification
22 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department of revenue.

23 6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized
24 pursuant to sections 208.750 to 208.775 shall not exceed four million dollars in any fiscal year.
25 For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized under
26 sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal year.

27 **7. Notwithstanding any other provision of law to the contrary, no tax credits shall**
28 **be authorized under sections 208.750 to 208.775 after August 28, 2014, or issued after June**
29 **30, 2015, and any such tax credit issued before July 1, 2015, that is not redeemed in the**
30 **period the contribution was made may be carried forward to the taxpayer's ten subsequent**
31 **taxable years, but no more than ten percent of the amount of such tax credit that is carried**
32 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
33 **amount carried forward as provided in this subsection shall be redeemed unless and until**
34 **the estimate of the redemption of such credits has been reviewed and approved as provided**
35 **in subsection 4 of section 33.282.**

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible
2 property, which is a certified historic structure or structure in a certified historic district, may,
3 subject to the provisions of this section and section 253.559, receive a credit against the taxes
4 imposed pursuant to chapters 143 and 148, except for sections 143.191 to 143.265, on such
5 taxpayer in an amount equal to twenty-five percent of the total costs and expenses of
6 rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified
7 rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code
8 of 1986, as amended, and the related regulations thereunder, provided the rehabilitation costs

9 associated with rehabilitation and the expenses exceed fifty percent of the total basis in the
10 property and the rehabilitation meets standards consistent with the standards of the Secretary of
11 the United States Department of the Interior for rehabilitation as determined by the state historic
12 preservation officer of the Missouri department of natural resources.

13 2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,
14 the department of economic development shall not approve applications for tax credits under the
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,
18 the department of economic development shall not approve applications for tax credits under the
19 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one
20 hundred forty million dollars, increased by any amount of tax credits for which approval shall
21 be rescinded under the provisions of section 253.559. The limitations provided under this
22 subsection shall not apply to applications approved under the provisions of subsection 3 of
23 section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in
24 tax credits.

25 3. For all applications for tax credits approved on or after January 1, 2010, no more than
26 two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses
27 incurred in the rehabilitation of an eligible property which is a nonincome producing
28 single-family, owner-occupied residential property and is either a certified historic structure or
29 a structure in a certified historic district.

30 4. The limitations on tax credit authorization provided under the provisions of
31 subsections 2 and 3 of this section shall not apply to:

32 (1) Any application submitted by a taxpayer, which has received approval from the
33 department prior to January 1, 2010; or

34 (2) Any taxpayer applying for tax credits, provided under this section, which, on or
35 before January 1, 2010, has filed an application with the department evidencing that such
36 taxpayer:

37 (a) Has incurred costs and expenses for an eligible property which exceed the lesser of
38 five percent of the total project costs or one million dollars and received an approved Part I from
39 the Secretary of the United States Department of Interior; or

40 (b) Has received certification, by the state historic preservation officer, that the
41 rehabilitation plan meets the standards consistent with the standards of the Secretary of the
42 United States Department of the Interior, and the rehabilitation costs and expenses associated
43 with such rehabilitation shall exceed fifty percent of the total basis in the property.

44 **5. Notwithstanding any other provision of law to the contrary, no tax credits shall**
45 **be authorized under sections 253.545 to 253.559 after August 28, 2014, or issued after June**
46 **30, 2015, and any such tax credit issued before July 1, 2015, that is not redeemed in the**
47 **period the contribution was made may be carried forward to the taxpayer's ten subsequent**
48 **taxable years, but no more than ten percent of the amount of such tax credit that is carried**
49 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
50 **amount carried forward as provided in this subsection shall be redeemed unless and until**
51 **the estimate of the redemption of such credits has been reviewed and approved as provided**
52 **in subsection 4 of section 33.282.**

 348.434. 1. The aggregate of tax credits issued per fiscal year pursuant to sections
2 348.430 and 348.432 shall not exceed six million dollars.

3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be issued pursuant to
4 section 348.430, except that, the authority shall allocate no more than three million dollars to
5 fund section 348.432 in fiscal year 2000. Beginning in fiscal year 2001 and each subsequent
6 year, tax credits shall be issued pursuant to section 348.432.

7 3. Beginning the first day of May of each fiscal year following implementation of section
8 348.432, the authority may determine the extent of tax credits, pursuant to section 348.432, that
9 will be utilized in each fiscal year. If the authority determines that:

10 (1) Less than six million dollars for a fiscal year is to be utilized in tax credits pursuant
11 to section 348.432; and

12 (2) The assets available to the authority, pursuant to section 348.430, do not exceed
13 twelve million dollars; then, the authority may offer the remaining authorized tax credits be
14 issued pursuant to section 348.430.

15 **4. Notwithstanding any other provision of law to the contrary, no tax credits shall**
16 **be authorized under sections 348.430 to 348.439 on or after August 28, 2014, or issued after**
17 **June 30, 2015, and any such tax credit issued before July 1, 2015, that is not redeemed in**
18 **the period the contribution was made may be carried forward as provided under sections**
19 **348.430 to 348.439.**

 348.505. 1. As used in this section, "state tax liability"[.] **means** any state tax liability
2 incurred by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the
3 provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and
4 related provisions.

5 2. Any eligible lender under the family farm livestock loan program under section
6 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of
7 interest waived by the lender under section 348.500 on a qualifying loan for the first year of the
8 loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural

9 and small business development authority and may be used to satisfy the state tax liability of the
10 owner of such certificate that becomes due in the tax year in which the interest on a qualified
11 loan is waived by the lender under section 348.500. No lender may receive a tax credit under
12 this section unless such person presents a tax credit certificate to the department of revenue for
13 payment of such state tax liability. The amount of the tax credits that may be issued to all
14 eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed
15 three hundred thousand dollars.

16 3. The agricultural and small business development authority shall be responsible for the
17 administration and issuance of the certificate of tax credits authorized by this section. The
18 authority shall issue a certificate of tax credit at the request of any lender. Each request shall
19 include a true copy of the loan documents, the name of the lender who is to receive a certificate
20 of tax credit, the type of state tax liability against which the tax credit is to be used, and the
21 amount of the certificate of tax credit to be issued to the lender based on the interest waived by
22 the lender under section 348.500 on the loan for the first year.

23 4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of
24 other payment in such amount as is equal to the lesser of the amount of the tax or the remaining
25 unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the
26 certificate of tax credit the amount of tax thereby paid and the date of such payment.

27 5. The following provisions shall apply to tax credits authorized under this section:

28 (1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and applied
29 to the estimated quarterly tax of the lender;

30 (2) Any amount of tax credit which exceeds the tax due, including any estimated
31 quarterly taxes paid by the lender under subdivision (1) of this subsection which results in an
32 overpayment of taxes for a taxable year, shall not be refunded but may be carried over to any
33 subsequent taxable year, not to exceed a total of three years for which a tax credit may be taken
34 for a qualified family farm livestock loan;

35 (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer
36 or sell tax credits authorized under this section, with the new owner of the tax credit receiving
37 the same rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or
38 otherwise conveyed, a notarized endorsement shall be filed by the lender with the authority
39 specifying the name and address of the new owner of the tax credit and the value of such tax
40 credit; and

41 (4) Notwithstanding any other provision of this section to the contrary, any commercial
42 bank may use tax credits created under this section as provided in section 148.064 and receive
43 a net tax credit against taxes actually paid in the amount of the first year's interest on loans made
44 under this section. If such first year tax credits reduce taxes due as provided in section 148.064

45 to zero, the remaining tax credits may be carried over as otherwise provided in this section and
46 utilized as provided in section 148.064 in subsequent years.

47 **6. Notwithstanding any other provision of law to the contrary, no tax credits shall**
48 **be authorized under this section on or after August 28, 2014, or issued after June 30, 2015,**
49 **and any such tax credit issued before July 1, 2015, that is not redeemed in the period the**
50 **contribution was made may be carried forward as provided in this section.**

375.774. 1. The association shall issue to each insurer paying an assessment under
2 sections 375.771 to 375.779 a certificate of contribution, in appropriate form and terms as
3 prescribed by the director, for the amount so paid. All outstanding certificates shall be of equal
4 dignity and priority without reference to amounts or dates of issue.

5 2. A certificate of contribution may be shown by the insurer in its financial statements
6 as an admitted asset for such amount and period of time, as follows:

- 7 (1) One hundred percent for the calendar year of issuance;
8 (2) Sixty-six and two-thirds percent for the first calendar year after the year of issuance;
9 (3) Thirty-three and one-third percent for the second year after the year of issuance which
10 shall be the last year each such certificate shall be carried as an asset.

11 3. The insurer shall be entitled to a credit against the premium tax liability under sections
12 148.310 to 148.461 for contributions paid to the association. This tax credit shall be taken over
13 a period of the three successive tax years beginning after the year of contribution at the rate of
14 thirty-three and one-third percent, per year, of the contribution paid to the association, and such
15 credit shall not be subject to subsection 1 of section 375.916.

16 4. Any sums recovered by the association representing sums which have theretofore been
17 written off by contributing insurers and offset against premium taxes as provided in subsection
18 3 of this section shall be paid by the association to the director of revenue who shall handle such
19 funds in the same manner as provided in section 148.380.

20 5. The association shall be exempt from payment of all fees and all capitation or poll and
21 excise taxes levied by this state or any of its political subdivisions and the real and personal
22 property of the association is hereby declared to be property actually and regularly used
23 exclusively for purposes purely charitable and not held for private or corporate profit within the
24 meaning of subdivision (5) of section 137.100[, RSMo 1986].

25 **6. Notwithstanding any other provision of law to the contrary, no tax credits shall**
26 **be authorized or issued under sections 375.771 to 375.779 after December 31, 2015, and any**
27 **such tax credit issued before January 1, 2016, that is not redeemed in the period the**
28 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
29 **years, but no more than ten percent of the amount of such tax credit that is carried**
30 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**

31 **amount carried forward as provided in this subsection shall be redeemed unless and until**
32 **the estimate of the redemption of such credits has been reviewed and approved as provided**
33 **in subsection 4 of section 33.282.**

376.745. 1. A member insurer may offset against its premium tax liability to this state
2 an assessment described in section 376.738 to the extent of twenty percent of the amount of such
3 assessment for each of the five calendar years following the year in which such assessment was
4 paid. In the event a member insurer should cease doing business, all uncredited assessments may
5 be credited against its premium tax liability for the year it ceases doing business.

6 2. A member insurer exempt from chapter 148 may offset against its sales or use tax
7 liability to this state an assessment described in section 376.738 to the extent of twenty percent
8 of the amount of such assessment for each of the five calendar years following the year in which
9 such assessment was paid. In the event a member insurer should cease doing business, all
10 uncredited assessments may be credited against its sales or use tax liability for the year it ceases
11 doing business.

12 3. Any sums which are acquired by refund, pursuant to the provisions of section 376.738,
13 from the association by member insurers, and which have theretofore been offset against
14 premium taxes as provided in subsection 1 of this section or have theretofore been offset against
15 sales or use taxes as provided in subsection 2 of this section, shall be paid by such insurers to this
16 state in such manner as the tax authorities may require. The association shall notify the director
17 that such refunds have been made.

18 **4. Notwithstanding any other provision of law to the contrary, no tax credits shall**
19 **be authorized or issued under sections 376.715 to 376.758 after December 31, 2015, and any**
20 **such tax credit issued before January 1, 2016, that is not redeemed in the period the**
21 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
22 **years, but no more than ten percent of the amount of such tax credit that is carried**
23 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
24 **amount carried forward as provided in this subsection shall be redeemed unless and until**
25 **the estimate of the redemption of such credits has been reviewed and approved as provided**
26 **in subsection 4 of section 33.282.**

376.975. 1. Each member's proportion of participation in the pool shall be determined
2 annually by the board based on annual statements and other reports deemed necessary by the
3 board and filed by the member with it. Any deficit incurred by the pool shall be recouped by
4 assessments apportioned as provided in subsections 1, 2, and 3 of section 376.973 by the board
5 among members. The amount of assessments incurred by each member of the pool shall be
6 allowed as an offset against certain taxes, and shall be subject to certain limitations, as follows:
7 Each pool member subject to chapter 148 may deduct from premium taxes payable for any

8 calendar year to the state any and all assessments paid for the same year pursuant to sections
9 376.960 to 376.989. All assessments, for a fiscal year, shall not exceed the net premium tax due
10 and payable by such member in the previous year. If the assessment exceeds any premium tax
11 due or payable in such year, the excess shall be a credit or offset carried forward against any
12 premium tax due or payable in succeeding years [until the excess is exhausted] **as provided in**
13 **this section.**

14 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
15 **be authorized or issued under sections 376.960 to 376.989 after December 31, 2015, and any**
16 **such tax credit issued before January 1, 2016, that is not redeemed in the period the**
17 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
18 **years, but no more than ten percent of the amount of such tax credit that is carried**
19 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
20 **amount carried forward as provided in this subsection shall be redeemed unless and until**
21 **the estimate of the redemption of such credits has been reviewed and approved as provided**
22 **in subsection 4 of section 33.282.**

376.980. 1. Each pool member exempt from chapter 148 shall be allowed to offset
2 against any sales or use tax on purchases due, paid, or payable in the calendar year in which such
3 assessments are made. Further, such assessment, for any fiscal year, shall not exceed one percent
4 of nongroup premium income, exclusive of Medicare supplement programs, received in the
5 previous year. If the assessment exceeds the part of any sales tax or use tax due or payable in
6 such year, the excess shall be a credit or offset carried forward against the part of any sales tax
7 or use tax due or payable in succeeding years [until the excess is exhausted] **as provided in this**
8 **section.** The director of revenue, in consultation with the board, shall promulgate and enforce
9 reasonable rules and regulations and prescribe forms for the administration and enforcement of
10 this law.

11 **2. Notwithstanding any other provision of law to the contrary, no tax credits shall**
12 **be authorized or issued under sections 376.960 to 376.989 after December 31, 2015, and any**
13 **such tax credit issued before January 1, 2016, that is not redeemed in the period the**
14 **contribution was made may be carried forward to the taxpayer's ten subsequent taxable**
15 **years, but no more than ten percent of the amount of such tax credit that is carried**
16 **forward shall be redeemed in any single subsequent taxable year. No percentage of the**
17 **amount carried forward as provided in this subsection shall be redeemed unless and until**
18 **the estimate of the redemption of such credits has been reviewed and approved as provided**
19 **in subsection 4 of section 33.282.**

447.708. 1. For eligible projects, the director of the department of economic
2 development, with notice to the directors of the departments of natural resources and revenue,

3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new
4 enterprise zone but may decide that a prospective operator of a facility being remedied and
5 renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions
6 pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits
7 allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143,
8 excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed
9 by chapter 147, or the tax otherwise imposed by chapter 148. For purposes of this subsection:

10 (1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible
11 project must create at least ten new jobs or retain businesses which supply at least twenty-five
12 existing jobs. The city, or county if the eligible project is not located in a city, must provide ad
13 valorem tax abatement of at least fifty percent for a period not less than ten years and not more
14 than twenty-five years;

15 (2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit
16 for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225,
17 the eligible project must create at least ten new jobs or retain businesses which supply at least
18 twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718,
19 the tax credits described in section 135.225 are modified as follows: the tax credit shall be four
20 hundred dollars per employee per year, an additional four hundred dollars per year for each
21 employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new
22 and existing businesses, respectively, an additional four hundred dollars per year for each person
23 who is a person difficult to employ as defined by section 135.240, and investment tax credits at
24 the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

25 (3) For eligibility to receive the income tax refund pursuant to section 135.245, the
26 eligible project must create at least ten new jobs or retain businesses which supply at least
27 twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of
28 section 135.245 for application and use of the refund and the eligibility requirements of this
29 section;

30 (4) The eligible project operates in compliance with applicable environmental laws and
31 regulations, including permitting and registration requirements, of this state as well as the federal
32 and local requirements;

33 (5) The eligible project operator shall file such reports as may be required by the director
34 of economic development or the director's designee;

35 (6) The taxpayer may claim the state tax credits authorized by this subsection and the
36 state income exemption for a period not in excess of ten consecutive tax years. For the purpose
37 of this section, "taxpayer" means an individual proprietorship, partnership or corporation
38 described in section 143.441 or 143.471 who operates an eligible project. The director shall

39 determine the number of years the taxpayer may claim the state tax credits and the state income
40 exemption based on the projected net state economic benefits attributed to the eligible project;

41 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),
42 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and
43 maintained during the taxpayer's tax period for which the credits are earned, in the case of an
44 eligible project that does not replace a similar facility in Missouri. "New job" means a person
45 who was not previously employed by the taxpayer or related taxpayer within the twelve-month
46 period immediately preceding the time the person was employed by that taxpayer to work at, or
47 in connection with, the eligible project on a full-time basis. "Full-time basis" means the
48 employee works an average of at least thirty-five hours per week during the taxpayer's tax period
49 for which the tax credits are earned. For the purposes of this section, related taxpayer has the
50 same meaning as defined in subdivision (9) of section 135.100;

51 (8) For the purpose of meeting the existing job retention requirement, if the eligible
52 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the
53 taxpayer's tax period in which the tax credits are earned, it shall be required that at least
54 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time
55 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a
56 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to
57 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period
58 in which the tax credits are earned, within the tax period immediately preceding the time the
59 person was employed by the taxpayer to work at, or in connection with, the eligible project on
60 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five
61 hours per week during the taxpayer's tax period for which the tax credits are earned;

62 (9) In the case where an eligible project replaces a similar facility that closed elsewhere
63 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the
64 owner and operator of the eligible project shall provide the director with a written statement
65 explaining the reason for discontinuing operations at the closed facility. The statement shall
66 include a comparison of the activities performed at the closed facility prior to the date the facility
67 ceased operating, to the activities performed at the eligible project, and a detailed account
68 describing the need and rationale for relocating to the eligible project. If the director finds the
69 relocation to the eligible project significantly impaired the economic stability of the area in
70 which the closed facility was located, and that such move was detrimental to the overall
71 economic development efforts of the state, the director may deny the taxpayer's request to claim
72 tax benefits;

73 (10) Notwithstanding any provision of law to the contrary, for the purpose of this
74 section, the number of new jobs created and maintained, the number of existing jobs retained,

75 and the value of new qualified investment used at the eligible project during any tax year shall
76 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals
77 employed at the eligible project, or in the case of new qualified investment, the value of new
78 qualified investment used at the eligible project, on the last business day of each full calendar
79 month of the tax year. If the eligible project is in operation for less than the entire tax year, the
80 number of new jobs created and maintained, the number of existing jobs retained, and the value
81 of new qualified investment created at the eligible project during any tax year shall be
82 determined by dividing the sum of the number of individuals employed at the eligible project,
83 or in the case of new qualified investment, the value of new qualified investment used at the
84 eligible project, on the last business day of each full calendar month during the portion of the tax
85 year during which the eligible project was in operation, by the number of full calendar months
86 during such period;

87 (11) For the purpose of this section, "new qualified investment" means new business
88 facility investment as defined and as determined in subdivision (7) of section 135.100 which is
89 used at and in connection with the eligible project. "New qualified investment" shall not include
90 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand
91 held.

92 2. The determination of the director of economic development pursuant to subsection
93 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval
94 of the granting of real property tax abatement by the municipal or county government where the
95 eligible project is located.

96 3. (1) The director of the department of economic development, with the approval of
97 the director of the department of natural resources, may, in addition to the tax credits allowed
98 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one
99 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,
100 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,
101 and direct utility charges for performing the voluntary remediation activities for the preexisting
102 hazardous substance contamination and releases, including, but not limited to, the costs of
103 performing operation and maintenance of the remediation equipment at the property beyond the
104 year in which the systems and equipment are built and installed at the eligible project and the
105 costs of performing the voluntary remediation activities over a period not in excess of four tax
106 years following the taxpayer's tax year in which the system and equipment were first put into use
107 at the eligible project, provided the remediation activities are the subject of a plan submitted to,
108 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The
109 tax credit may also include up to one hundred percent of the costs of demolition that are not
110 directly part of the remediation activities, provided that the demolition is on the property where

111 the voluntary remediation activities are occurring, the demolition is necessary to accomplish the
112 planned use of the facility where the remediation activities are occurring, and the demolition is
113 part of a redevelopment plan approved by the municipal or county government and the
114 department of economic development. The demolition may occur on an adjacent property if the
115 project is located in a municipality which has a population less than twenty thousand and the
116 above conditions are otherwise met. The adjacent property shall independently qualify as
117 abandoned or underutilized. The amount of the credit available for demolition not associated
118 with remediation cannot exceed the total amount of credits approved for remediation including
119 demolition required for remediation.

120 (2) The amount of remediation tax credits issued shall be limited to the least amount
121 necessary to cause the project to occur, as determined by the director of the department of
122 economic development.

123 (3) The director may, with the approval of the director of natural resources, extend the
124 tax credits allowed for performing voluntary remediation maintenance activities, in increments
125 of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed
126 in this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding
127 tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the
128 tax otherwise imposed by chapter 148. The remediation tax credit may be taken in the same tax
129 year in which the tax credits are received or may be taken over a period not to exceed twenty
130 years.

131 (4) The project facility shall be projected to create at least ten new jobs or at least
132 twenty-five retained jobs, or a combination thereof, as determined by the department of
133 economic development, to be eligible for tax credits pursuant to this section.

134 (5) No more than seventy-five percent of earned remediation tax credits may be issued
135 when the remediation costs were paid, and the remaining percentage may be issued when the
136 department of natural resources issues a letter of completion letter or covenant not to sue
137 following completion of the voluntary remediation activities. It shall not include any costs
138 associated with ongoing operational environmental compliance of the facility or remediation
139 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations
140 of the facility. In the event the department of natural resources issues a letter of completion for
141 a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion
142 of a site improvement, a prorated amount of the remaining percentage may be released based on
143 the percentage of the total site receiving a letter of completion.

144 4. In the exercise of the sound discretion of the director of the department of economic
145 development or the director's designee, the tax credits and exemptions described in this section
146 may be terminated, suspended or revoked, if the eligible project fails to continue to meet the

conditions set forth in this section. In making such a determination, the director shall consider the severity of the condition violation, actions taken to correct the violation, the frequency of any condition violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and operator. The director shall also consider changes in general economic conditions and the recommendation of the director of the department of natural resources, or his or her designee, concerning the severity, scope, nature, frequency and extent of any violations of the environmental compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal the decision regarding termination, suspension or revocation of any tax credit or exemption in accordance with the procedures outlined in subsections 4 [to 6] **and 5** of section 135.250. The director of the department of economic development shall notify the directors of the departments of natural resources and revenue of the termination, suspension or revocation of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility for the same tax period.

6. The total amount of the tax credits allowed in subsection 1 of this section [may] **shall** not exceed the greater of:

- (1) That portion of the taxpayer's income attributed to the eligible project; or
- (2) One hundred percent of the total business' income tax if the eligible facility does not replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; or twenty-five percent of the total business income if the taxpayer operates, in addition to the eligible facility, any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business income in any tax period. That portion of the taxpayer's income attributed to the eligible project as referenced in subdivision (1) of this subsection, for which the credits allowed in sections 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit may offset,

183 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of
184 section 135.100.

185 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of
186 subsection 1 of this section shall be required to file all applicable tax credit applications, forms
187 and schedules prescribed by the director during the taxpayer's tax period immediately after the
188 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to
189 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax
190 credits shall not be carried forward but shall be initially claimed for the tax period during which
191 the eligible project was first capable of being used, and during any applicable subsequent tax
192 periods.

193 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section
194 shall be required to file all applicable tax credit applications, forms and schedules prescribed by
195 the director during the taxpayer's tax period immediately after the tax period in which the eligible
196 project was first put into use, or during the taxpayer's tax period immediately after the tax period
197 in which the voluntary remediation activities were performed.

198 9. The recipient of remediation tax credits, for the purpose of this subsection referred to
199 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed
200 in subsection 3 of this section to any other person, for the purpose of this subsection referred to
201 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of
202 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,
203 the assignee's name, address and the assignee's tax period and the amount of tax credits to be
204 transferred. The number of tax periods during which the assignee may subsequently claim the
205 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor
206 previously claimed the credits before the transfer occurred.

207 10. In the case where an operator and assignor of an eligible project has been certified
208 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and
209 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who
210 continues the same or substantially similar operations at the eligible project, the director shall
211 allow the assignee to claim the credits for a period of time to be determined by the director;
212 except that, the total number of tax periods the tax credits may be earned by the assignor and the
213 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice
214 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the
215 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount
216 of tax credits to be transferred.

11. For the purpose of the state tax benefits described in this section, in the case of a corporation described in section 143.471 or partnership, in computing Missouri's tax liability, such state benefits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership. The credit provided in this subsection shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

12. Notwithstanding any other provision of law to the contrary, no tax credits shall be authorized under sections 447.700 to 447.718 on or after August 28, 2014, or issued after December 31, 2015, and any such tax credit issued before January 1, 2016, that is not redeemed in the period the contribution was made may be carried forward as provided in this section.

620.495. 1. This section shall be known as the "Small Business Incubators Act".

2. As used in this section, unless the context clearly indicates otherwise, the following words and phrases shall mean:

(1) "Department", the department of economic development;

(2) "Incubator", a program in which small units of space may be leased by a tenant and in which management maintains or provides access to business development services for use by tenants or a program without infrastructure in which participants avail themselves of business development services to assist in the growth of their start-up small businesses;

(3) "Local sponsor" or "sponsor", an organization which enters into a written agreement with the department to establish, operate and administer a small business incubator program or to provide funding to an organization which operates such a program;

(4) "Participant", a sole proprietorship, business partnership or corporation operating a business for profit through which the owner avails himself or herself of business development services in an incubator program;

(5) "Tenant", a sole proprietorship, business partnership or corporation operating a business for profit and leasing or otherwise occupying space in an incubator.

3. There is hereby established under the direction of the department a loan, loan guarantee and grant program for the establishment, operation and administration of small business incubators, to be known as the "Small Business Incubator Program". A local sponsor may submit an application to the department to obtain a loan, loan guarantee or grant to establish an incubator. Each application shall:

(1) Demonstrate that a program exists that can be transformed into an incubator at a specified cost;

24 (2) Demonstrate the ability to directly provide or arrange for the provision of business
25 development services for tenants and participants of the incubator. These services shall include,
26 but need not be limited to, financial consulting assistance, management and marketing assistance,
27 business education, and physical services;

28 (3) Demonstrate a potential for sustained use of the incubator program by eligible tenants
29 and participants, through a market study or other means;

30 (4) Demonstrate the ability to manage and operate the incubator program;

31 (5) Include such other information as the department may require through its guidelines.

32 4. The department shall review and accept applications based on the following criteria:

33 (1) Ability of the local sponsor to carry out the provisions of this section;

34 (2) Economic impact of the incubator on the community;

35 (3) Conformance with areawide and local economic development plans, if such exist;

36 (4) Location of the incubator, in order to encourage geographic distribution of incubators
37 across the state.

38 5. Loans, loan guarantees and grants shall be administered in the following manner:

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are
42 necessary for the creation and operation of the incubator, and business development services
43 including, but not limited to, business management advising and business education;

44 (2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible
45 project costs;

46 (3) Payment of interest and principal on loans may be deferred at the discretion of the
47 department.

48 6. A local sponsor, or the organization receiving assistance through the local sponsor,
49 shall have the following responsibilities and duties in establishing and operating an incubator
50 with assistance from the small business incubator program:

51 (1) Secure title on a facility for the program or a lease of a facility for the program;

52 (2) Manage the physical development of the incubator program, including the provision
53 of common conference or meeting space;

54 (3) Furnish and equip the program to provide business services to the tenants and
55 participants;

56 (4) Market the program and secure eligible tenants and participants;

57 (5) Provide financial consulting, marketing and management assistance services or
58 arrange for the provision of these services for tenants and participants of the incubator, including
59 assistance in accessing private financial markets;

- 60 (6) Set rental and service fees;
- 61 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid
62 the tenants and participants in an innovative manner while they are within the incubator;
- 63 (8) Establish policies and criteria for the acceptance of tenants and participants into the
64 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to
65 succeed for the greatest number of tenants, consistent with those specified in this section.
- 66 7. The department:
- 67 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may
68 be necessary for the implementation of this section;
- 69 (2) May make loans, loan guarantees and grants to local sponsors for incubators;
- 70 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the
71 conditions of this section;
- 72 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports
73 shall include, but need not be limited to, a financial statement for the incubator, evidence that
74 all tenants and participants in the program are eligible under the terms of this section, and a list
75 of companies in the incubator.
- 76 8. The department of economic development is also hereby authorized to review any
77 previous loans made under this program and, where appropriate in the department's judgment,
78 convert such loans to grant status.
- 79 9. On or before January first of each year, the department shall provide a report to the
80 governor, the chief clerk of the house of representatives and the secretary of the senate which
81 shall include, but need not be limited to:
- 82 (1) The number of applications for incubators submitted to the department;
- 83 (2) The number of applications for incubators approved by the department;
- 84 (3) The number of incubators created through the small business incubator program;
- 85 (4) The number of tenants and participants engaged in each incubator;
- 86 (5) The number of jobs provided by each incubator and tenants and participant of each
87 incubator;
- 88 (6) The occupancy rate of each incubator;
- 89 (7) The number of firms still operating in the state after leaving incubators and the
90 number of jobs they have provided.
- 91 10. There is hereby established in the state treasury a special fund to be known as the
92 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be
93 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests
94 received from federal, private or other sources. Moneys for loans, loan guarantees and grants
95 under the small business incubator program may be obtained from appropriations made by the

96 general assembly from the Missouri small business incubators fund. Any moneys remaining in
97 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the
98 general revenue fund, as provided in section 33.080, but shall remain in the Missouri small
99 business incubators fund.

100 11. For any taxable year beginning after December 31, 1989, a taxpayer, including any
101 charitable organization which is exempt from federal income tax and whose Missouri unrelated
102 business taxable income, if any, would be subject to the state income tax imposed under chapter
103 143, shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter
104 143, or chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to
105 143.265, in the amount of fifty percent of any amount contributed by the taxpayer to the Missouri
106 small business incubators fund during the taxpayer's tax year or any contribution by the taxpayer
107 to a local sponsor after the local sponsor's application has been accepted and approved by the
108 department. The tax credit allowed by this subsection shall be claimed by the taxpayer at the
109 time he files his return and shall be applied against the income tax liability imposed by chapter
110 143, or chapter 147, or chapter 148, after all other credits provided by law have been applied.
111 That portion of earned tax credits which exceeds the taxpayer's tax liability may be carried
112 forward for up to five years. The aggregate of all tax credits authorized under this section shall
113 not exceed five hundred thousand dollars in any taxable year.

114 12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may
115 sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this
116 section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection.
117 Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign,
118 exchange or otherwise transfer earned tax credits:

119 (1) For no less than seventy-five percent of the par value of such credits; and

120 (2) In an amount not to exceed one hundred percent of annual earned credits. The
121 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
122 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
123 imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by
124 sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward
125 for up to five years. The assignor shall enter into a written agreement with the assignee
126 establishing the terms and conditions of the agreement and shall perfect such transfer by
127 notifying the department of economic development in writing within thirty calendar days
128 following the effective day of the transfer and shall provide any information as may be required
129 by the department of economic development to administer and carry out the provisions of this
130 section. The director of the department of economic development shall prescribe the method for
131 submitting applications for claiming the tax credit allowed under subsection 11 of this section

132 and shall, if the application is approved, certify to the director of revenue that the taxpayer
133 claiming the credit has satisfied all the requirements specified in this section and is eligible to
134 claim the credit.

135 **13. Notwithstanding any other provision of law to the contrary, no tax credits shall**
136 **be authorized under this section on or after August 28, 2014, or issued after December 31,**
137 **2015, and any such tax credit issued before January 1, 2016, that is not redeemed in the**
138 **period the contribution was made may be carried forward as provided in this section.**

620.809. 1. The Missouri community college job training program fund, formerly
2 established in the state treasury by section 178.896, shall now be known as the "Missouri Works
3 Community College New Jobs Training Fund" and shall be administered by the department for
4 the training program. The department of revenue shall credit to the fund, as received, all new
5 jobs credits. The fund shall also consist of any gifts, contributions, grants, or bequests received
6 from federal, private, or other sources. The general assembly, however, shall not provide for any
7 transfer of general revenue funds into the fund. Moneys in the fund shall be disbursed to the
8 department under regular appropriations by the general assembly. The department shall disburse
9 such appropriated funds in a timely manner into the special funds established by community
10 college districts for training projects, which funds shall be used to pay training project costs.
11 Such disbursements shall be made to the special fund for each training project in the same
12 proportion as the new jobs credit remitted by the qualified company participating in such project
13 bears to the total new jobs credit from withholding remitted by all qualified companies
14 participating in projects during the period for which the disbursement is made. All moneys
15 remaining in the fund at the end of any fiscal year shall not lapse to the general revenue fund, as
16 provided in section 33.080, but shall remain in the fund.

17 2. The Missouri community college job retention training program fund, formerly
18 established in the state treasury by section 178.764, shall now be known as the "Missouri Works
19 Community College Job Retention Training Fund" and shall be administered by the department
20 for the Missouri works training program. The department of revenue shall credit to the fund, as
21 received, all retained jobs credits. The fund shall also consist of any gifts, contributions, grants,
22 or bequests received from federal, private, or other sources. The general assembly, however,
23 shall not provide for any transfer of general revenue funds into the fund. Moneys in the fund
24 shall be disbursed to the department under regular appropriations by the general assembly. The
25 department shall disburse such appropriated funds in a timely manner into the special funds
26 established by community college districts for projects, which funds shall be used to pay training
27 program costs, including the principal, premium, and interest on certificates issued by the district
28 to finance or refinance, in whole or in part, a project. Such disbursements by the department
29 shall be made to the special fund for each project in the same proportion as the retained jobs

30 credit from withholding remitted by the qualified company participating in such project bears
31 to the total retained jobs credit from withholding remitted by qualified companies participating
32 in projects during the period for which the disbursement is made. All moneys remaining in the
33 fund at the end of any fiscal year shall not lapse to the general revenue fund, as provided in
34 section 33.080, but shall remain in the fund.

35 3. The department of revenue shall develop such forms as are necessary to demonstrate
36 accurately each qualified company's new jobs credit paid into the Missouri works community
37 college new jobs training fund or retained jobs credit paid into the Missouri works community
38 college job retention training fund. The new or retained jobs credits shall be accounted as
39 separate from the normal withholding tax paid to the department of revenue by the qualified
40 company. Reimbursements made by all qualified companies to the Missouri works community
41 college new jobs training fund and the Missouri works community college job retention training
42 fund shall be no less than all allocations made by the department to all community college
43 districts for all projects. The qualified company shall remit the amount of the new or retained
44 jobs credit, as applicable, to the department of revenue in the same manner as provided in
45 sections 143.191 to 143.265.

46 4. A community college district, with the approval of the department in consultation with
47 the office of administration, may enter into an agreement to establish a training project and
48 provide training project services to a qualified company. As soon as possible after initial contact
49 between a community college district and a potential qualified company regarding the possibility
50 of entering into an agreement, the district shall inform the department of the potential training
51 project. The department shall evaluate the proposed training project within the overall job
52 training efforts of the state to ensure that the training project will not duplicate other job training
53 programs. The department shall have fourteen days from receipt of a notice of intent to approve
54 or disapprove a training project. If no response is received by the qualified company within
55 fourteen days, the training project shall be deemed approved. Disapproval of any training project
56 shall be made in writing and state the reasons for such disapproval. If an agreement is entered
57 into, the district and the qualified company shall notify the department of revenue within fifteen
58 calendar days. In addition to any provisions required under subsection 5 of this section for a
59 qualified company applying to receive a retained job credit, an agreement may provide, but shall
60 not be limited to:

61 (1) Payment of training project costs, which may be paid from one or a combination of
62 the following sources:

63 (a) Funds appropriated by the general assembly to the Missouri works community
64 college new jobs training program fund or Missouri works community college job retention

65 training program fund, as applicable, and disbursed by the department for the purposes consistent
66 with sections 620.800 to 620.809;

67 (b) Tuition, student fees, or special charges fixed by the board of trustees to defray
68 training project costs in whole or in part;

69 (2) Payment of training project costs which shall not be deferred for a period longer than
70 eight years;

71 (3) Costs of on-the-job training for employees which shall include wages or salaries of
72 participating employees. Payments for on-the-job training shall not exceed the average of fifty
73 percent of the total wages paid by the qualified company to each participant during the period
74 of training. Payment for on-the-job training may continue for up to six months from the date the
75 training begins;

76 (4) A provision which fixes the minimum amount of new or retained jobs credits, or
77 tuition and fee payments which shall be paid for training project costs; and

78 (5) Any payment required to be made by a qualified company. This payment shall
79 constitute a lien upon the qualified company's business property until paid, shall have equal
80 priority with ordinary taxes and shall not be divested by a judicial sale. Property subject to such
81 lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties,
82 and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale shall
83 obtain the property subject to the remaining payments.

84 5. Any qualified company that submits a notice of intent for retained job credits shall
85 enter into an agreement, providing that the qualified company has:

86 (1) Maintained at least one hundred full-time employees per year at the project facility
87 for the calendar year preceding the year in which the application is made;

88 (2) Retained, at the project facility, the same number of employees that existed in the
89 taxable year immediately preceding the year in which application is made; and

90 (3) Made or agrees to make a new capital investment of greater than five times the
91 amount of any award under this training program at the project facility over a period of two
92 consecutive calendar years, as certified by the qualified company and:

93 (a) Has made substantial investment in new technology requiring the upgrading of
94 employee skills; or

95 (b) Is located in a border county of the state and represents a potential risk of relocation
96 from the state; or

97 (c) Has been determined to represent a substantial risk of relocation from the state by the
98 director of the department of economic development.

99 6. If an agreement provides that all or part of the training program costs are to be met by
100 receipt of new or retained jobs credit, such new or retained jobs credit from withholding shall
101 be determined and paid as follows:

102 (1) New or retained jobs credit shall be based upon the wages paid to the employees in
103 the new or retained jobs;

104 (2) A portion of the total payments made by the qualified companies under sections
105 143.191 to 143.265 shall be designated as the new or retained jobs credit from withholding.
106 Such portion shall be an amount equal to two and one-half percent of the gross wages paid by
107 the qualified company for each of the first one hundred jobs included in the project and one and
108 one-half percent of the gross wages paid by the qualified company for each of the remaining jobs
109 included in the project. If business or employment conditions cause the amount of the new or
110 retained jobs credit from withholding to be less than the amount projected in the agreement for
111 any time period, then other withholding tax paid by the qualified company under sections
112 143.191 to 143.265 shall be credited to the applicable fund by the amount of such difference.
113 The qualified company shall remit the amount of the new or retained jobs credit to the
114 department of revenue in the manner prescribed in sections 143.191 to 143.265. When all
115 training program costs have been paid, the new or retained jobs credits shall cease;

116 (3) The community college district participating in a project shall establish a special fund
117 for and in the name of the training project. All funds appropriated by the general assembly from
118 the funds established under subsections 1 and 2 of this section and disbursed by the department
119 for the training project and other amounts received by the district for training project costs as
120 required by the agreement shall be deposited in the special fund. Amounts held in the special
121 fund shall be used and disbursed by the district only to pay training project costs for such training
122 project. The special fund may be divided into such accounts and subaccounts as shall be
123 provided in the agreement, and amounts held therein may be invested in the same manner as the
124 district's other funds;

125 (4) Any disbursement for training project costs received from the department under
126 sections 620.800 to 620.809 and deposited into the training project's special fund may be
127 irrevocably pledged by a community college district for the payment of the principal, premium,
128 and interest on the certificate issued by a community college district to finance or refinance, in
129 whole or in part, such training project;

130 (5) The qualified company shall certify to the department of revenue that the new or
131 retained jobs credit is in accordance with an agreement and shall provide other information the
132 department of revenue may require;

133 (6) An employee participating in a training project shall receive full credit under section
134 143.211 for the amount designated as a new or retained jobs credit;

135 (7) If an agreement provides that all or part of training program costs are to be met by
136 receipt of new or retained jobs credit, the provisions of this subsection shall also apply to any
137 successor to the original qualified company until the principal and interest on the certificates
138 have been paid.

139 7. To provide funds for the present payment of the training project costs of new or
140 retained jobs training project through the training program, a community college district may
141 borrow money and issue and sell certificates payable from a sufficient portion of the future
142 receipts of payments authorized by the agreement including disbursements from the Missouri
143 works community college new jobs training fund or the Missouri works community college job
144 retention training fund, to the special fund established by the district for each project. The total
145 amount of outstanding certificates sold by all community college districts shall not exceed the
146 total amount authorized under law as of January 1, 2013, unless an increased amount is
147 authorized in writing by a majority of members of the committee. The certificates shall be
148 marketed through financial institutions authorized to do business in Missouri. The receipts shall
149 be pledged to the payment of principal of and interest on the certificates. Certificates may be
150 sold at public sale or at private sale at par, premium, or discount of not less than ninety-five
151 percent of the par value thereof, at the discretion of the board of trustees, and may bear interest
152 at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of
153 section 108.170 to the contrary. However, the provisions of chapter 176 shall not apply to the
154 issuance of such certificates. Certificates may be issued with respect to a single project or
155 multiple projects and may contain terms or conditions as the board of trustees may provide by
156 resolution authorizing the issuance of the certificates.

157 8. Certificates issued to refund other certificates may be sold at public sale or at private
158 sale as provided in this section, with the proceeds from the sale to be used for the payment of the
159 certificates being refunded. The refunding certificates may be exchanged in payment and
160 discharge of the certificates being refunded, in installments at different times or an entire issue
161 or series at one time. Refunding certificates may be sold or exchanged at any time on, before,
162 or after the maturity of the outstanding certificates to be refunded. They may be issued for the
163 purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a rate
164 of interest that is higher, lower, or equivalent to that of the certificates being renewed or
165 refunded.

166 9. Before certificates are issued, the board of trustees shall publish once a notice of its
167 intention to issue the certificates, stating the amount, the purpose, and the project or projects for
168 which the certificates are to be issued. A person with standing may, within fifteen days after the
169 publication of the notice, by action in the circuit court of a county in the district, appeal the
170 decision of the board of trustees to issue the certificates. The action of the board of trustees in

determining to issue the certificates shall be final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

10. The board of trustees shall make a finding based on information supplied by the qualified company that revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

11. Certificates issued under this section shall not be deemed to be an indebtedness of the state, the community college district, or any other political subdivision of the state, and the principal and interest on any certificates shall be payable only from the sources provided in subdivision (1) of subsection 4 of this section which are pledged in the agreement.

12. **No credits shall be authorized under sections 620.800 to 620.809 on or after July 1, 2015.**

13. Pursuant to section 23.253 of the Missouri sunset act:

(1) The new program authorized under sections 620.800 to 620.809 shall [automatically] sunset [July 1, 2019, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under sections 620.800 to 620.809 shall automatically sunset twelve years after the effective date of the reauthorization of sections 620.800 to 620.809] **on June 30, 2015;** and

(3) Sections 620.800 to 620.809 shall terminate on September first of the calendar year immediately following the calendar year in which a program authorized under sections 620.800 to 620.809 is sunset.

620.2020. 1. The department shall respond to a written request, by or on behalf of a qualified company, for a proposed benefit award under the provisions of this program within five business days of receipt of such request. Such response shall contain either a proposal of benefits for the qualified company, or a written response refusing to provide such a proposal and stating the reasons for such refusal. A qualified company that intends to seek benefits under the program shall submit to the department a notice of intent. The department shall respond within thirty days to a notice of intent with an approval or a rejection, provided that the department may withhold approval or provide a contingent approval until it is satisfied that proper documentation of eligibility has been provided. Failure to respond on behalf of the department shall result in the notice of intent being deemed approved. A qualified company receiving approval for program benefits may receive additional benefits for subsequent new jobs at the same facility after the full initial project period if the applicable minimum job requirements are met. There

13 shall be no limit on the number of project periods a qualified company may participate in the
14 program, and a qualified company may elect to file a notice of intent to begin a new project
15 period concurrent with an existing project period if the applicable minimum job requirements
16 are achieved, the qualified company provides the department with the required annual reporting,
17 and the qualified company is in compliance with this program and any other state programs in
18 which the qualified company is currently or has previously participated. However, the qualified
19 company shall not receive any further program benefits under the original approval for any new
20 jobs created after the date of the new notice of intent, and any jobs created before the new notice
21 of intent shall not be included as new jobs for purposes of the benefit calculation for the new
22 approval. When a qualified company has filed and received approval of a notice of intent and
23 subsequently files another notice of intent, the department shall apply the definition of project
24 facility under subdivision (18) of section 620.2005 to the new notice of intent as well as all
25 previously approved notices of intent and shall determine the application of the definitions of
26 new job, new payroll, project facility base employment, and project facility base payroll
27 accordingly.

28 2. Notwithstanding any provision of law to the contrary, the benefits available to the
29 qualified company under any other state programs for which the company is eligible and which
30 utilize withholding tax from the new or retained jobs of the company shall first be credited to the
31 other state program before the withholding retention level applicable under this program will
32 begin to accrue. If any qualified company also participates in a job training program utilizing
33 withholding tax, the company shall retain no withholding tax under this program, but the
34 department shall issue a refundable tax credit for the full amount of benefit allowed under this
35 program. The calendar year annual maximum amount of tax credits which may be issued to a
36 qualifying company that also participates in a job training program shall be increased by an
37 amount equivalent to the withholding tax retained by that company under a jobs training
38 program.

39 3. A qualified company receiving benefits under this program shall provide an annual
40 report of the number of jobs and such other information as may be required by the department
41 to document the basis for program benefits available no later than ninety days prior to the end
42 of the qualified company's tax year immediately following the tax year for which the benefits
43 provided under the program are attributed. In such annual report, if the average wage is below
44 the applicable percentage of the county average wage, the qualified company has not maintained
45 the employee insurance as required, or if the number of jobs is below the number required, the
46 qualified company shall not receive tax credits or retain the withholding tax for the balance of
47 the project period. Failure to timely file the annual report required under this section shall result

48 in the forfeiture of tax credits attributable to the year for which the reporting was required and
49 a recapture of withholding taxes retained by the qualified company during such year.

50 4. The department may withhold the approval of any benefits under this program until
51 it is satisfied that proper documentation has been provided, and shall reduce the benefits to
52 reflect any reduction in full-time employees or payroll. Upon approval by the department, the
53 qualified company may begin the retention of the withholding taxes when it reaches the required
54 number of jobs and the average wage meets or exceeds the applicable percentage of county
55 average wage. Tax credits, if any, may be issued upon satisfaction by the department that the
56 qualified company has exceeded the applicable percentage of county average wage and the
57 required number of jobs.

58 5. Any qualified company approved for benefits under this program shall provide to the
59 department, upon request, any and all information and records reasonably required to monitor
60 compliance with program requirements. This program shall be considered a business recruitment
61 tax credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company
62 approved for benefits under this program shall be subject to the provisions of sections 135.800
63 to 135.830.

64 6. Any taxpayer who is awarded benefits under this program who knowingly hires
65 individuals who are not allowed to work legally in the United States shall immediately forfeit
66 such benefits and shall repay the state an amount equal to any state tax credits already redeemed
67 and any withholding taxes already retained.

68 7. The maximum amount of tax credits that may be authorized under this program for
69 any fiscal year shall be limited as follows, less the amount of any tax credits previously obligated
70 for that fiscal year under any of the tax credit programs referenced in subsection 13 of this
71 section:

72 (1) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014,
73 no more than one hundred six million dollars in tax credits may be authorized;

74 (2) For the fiscal year beginning on July 1, 2014, but ending on or before June 30, 2015,
75 no more than one hundred eleven million dollars in tax credits may be authorized; and

76 (3) For any fiscal year beginning on or after July 1, 2015, no [more than one hundred
77 sixteen million dollars in] tax credits [may] **shall** be authorized [for each fiscal year].

78 8. For tax credits for the creation of new jobs under section 620.2010, the department
79 shall allocate the annual tax credits based on the date of the approval, reserving such tax credits
80 based on the department's best estimate of new jobs and new payroll of the project, and any other
81 applicable factors in determining the amount of benefits available to the qualified company under
82 this program. However, the annual issuance of tax credits shall be subject to annual verification
83 of actual payroll by the department. Any authorization of tax credits shall expire if, within two

84 years from the date of commencement of operations, or approval if applicable, the qualified
85 company has failed to meet the applicable minimum job requirements. The qualified company
86 may retain authorized amounts from the withholding tax under the project once the applicable
87 minimum job requirements have been met for the duration of the project period. No benefits
88 shall be provided under this program until the qualified company meets the applicable minimum
89 new job requirements. In the event the qualified company does not meet the applicable
90 minimum new job requirements, the qualified company may submit a new notice of intent or the
91 department may provide a new approval for a new project of the qualified company at the project
92 facility or other facilities.

93 9. Tax credits provided under this program may be claimed against taxes otherwise
94 imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within
95 one year of the close of the taxable year for which they were issued. Tax credits provided under
96 this program may be transferred, sold, or assigned by filing a notarized endorsement thereof with
97 the department that names the transferee, the amount of tax credit transferred, and the value
98 received for the credit, as well as any other information reasonably requested by the department.
99 For a qualified company with flow-through tax treatment to its members, partners, or
100 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion
101 to their share of ownership on the last day of the qualified company's tax period.

102 10. Prior to the issuance of tax credits or the qualified company beginning to retain
103 withholding taxes, the department shall verify through the department of revenue and any other
104 applicable state department that the tax credit applicant does not owe any delinquent income,
105 sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments
106 levied by any state department and through the department of insurance, financial institutions and
107 professional registration that the applicant does not owe any delinquent insurance taxes or other
108 fees. Such delinquency shall not affect the approval, except that any tax credits issued shall be
109 first applied to the delinquency and any amount issued shall be reduced by the applicant's tax
110 delinquency. If the department of revenue, the department of insurance, financial institutions and
111 professional registration, or any other state department concludes that a taxpayer is delinquent
112 after June fifteenth but before July first of any year and the application of tax credits to such
113 delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be
114 granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall
115 be tolled. After applying all available credits toward a tax delinquency, the administering agency
116 shall notify the appropriate department and that department shall update the amount of
117 outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all
118 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the
119 applicant, subject to the restrictions of other provisions of law.

11. The director of revenue shall issue a refund to the qualified company to the extent that the amount of tax credits allowed under this program exceeds the amount of the qualified company's tax liability under chapter 143 or 148.

12. An employee of a qualified company shall receive full credit for the amount of tax withheld as provided in section 143.211.

13. Notwithstanding any provision of law to the contrary, beginning August 28, 2013, no new benefits shall be authorized for any project that had not received from the department a proposal or approval for such benefits prior to August 28, 2013, under the development tax credit program created under sections 32.100 to 32.125, the rebuilding communities tax credit program created under section 135.535, the enhanced enterprise zone tax credit program created under sections 135.950 to 135.973, and the Missouri quality jobs program created under sections 620.1875 to 620.1890. The provisions of this subsection shall not be construed to limit or impair the ability of any administering agency to authorize or issue benefits for any project that had received an approval or a proposal from the department under any of the programs referenced in this subsection prior to August 28, 2013, or the ability of any taxpayer to redeem any such tax credits or to retain any withholding tax under an approval issued prior to that date. The provisions of this subsection shall not be construed to limit or in any way impair the ability of any governing authority to provide any local abatement or designate a new zone under the enhanced enterprise zone program created by sections 135.950 to 135.963. Notwithstanding any provision of law to the contrary, no qualified company that is awarded benefits under this program shall:

(1) Simultaneously receive benefits under the programs referenced in this subsection at the same capital investment; or

(2) Receive benefits under the provisions of section 620.1910 for the same jobs.

14. If any provision of sections 620.2000 to 620.2020 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby declared severable.

15. By no later than January 1, 2014, and the first day of each calendar quarter thereafter, the department shall present a quarterly report to the general assembly detailing the benefits authorized under this program during the immediately preceding calendar quarter to the extent such information may be disclosed under state and federal law. The report shall include, at a minimum:

(1) A list of all approved and disapproved applicants for each tax credit;

155 (2) A list of the aggregate amount of new or retained jobs that are directly attributable
156 to the tax credits authorized;

157 (3) A statement of the aggregate amount of new capital investment directly attributable
158 to the tax credits authorized;

159 (4) Documentation of the estimated net state fiscal benefit for each authorized project
160 and, to the extent available, the actual benefit realized upon completion of such project or
161 activity; and

162 (5) The department's response time for each request for a proposed benefit award under
163 this program.

164 16. The department may adopt such rules, statements of policy, procedures, forms, and
165 guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020.
166 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
167 authority delegated in this section shall become effective only if it complies with and is subject
168 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
169 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
170 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
171 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
172 or adopted after August 28, 2013, shall be invalid and void.

173 17. Under section 23.253 of the Missouri sunset act:

174 (1) The provisions of the new program authorized under sections 620.2000 to 620.2020
175 shall [automatically] sunset [six years after August 28, 2013, unless reauthorized by an act of the
176 general assembly; and

177 (2) If such program is reauthorized, the program authorized under this section shall
178 automatically sunset twelve years after the effective date of this reauthorization of sections
179 620.2000 to 620.2020] **on June 30, 2015**; and

180 [(3)] (2) Sections 620.2000 to 620.2020 shall terminate on September first of the
181 calendar year immediately following the calendar year in which the program authorized under
182 sections 620.2000 to 620.2020 is sunset.

660.055. 1. Any registered caregiver who meets the requirements of this section shall
2 be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray
3 the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a
4 registered caregiver shall:

5 (1) Care for an elderly person, age sixty or older, who:

6 (a) Is physically or mentally incapable of living alone, as determined and certified by his
7 or her physician licensed pursuant to chapter 334, or by the division of aging staff when an
8 assessment has been completed for the purpose of qualification for other services; and

9 (b) Requires assistance with activities of daily living to the extent that without care and
10 oversight at home would require placement in a facility licensed pursuant to chapter 198; and

11 (c) Under no circumstances, is able or allowed to operate a motor vehicle; and

12 (d) Does not receive funding or services through Medicaid or social services block grant
13 funding;

14 (2) Live in the same residence to give protective oversight for the elderly person meeting
15 the requirements described in subdivision (1) of this subsection for an aggregate of more than
16 six months per tax year;

17 (3) Not receive monetary compensation for providing care for the elderly person meeting
18 the requirements described in subdivision (1) of this subsection; and

19 (4) File the original completed and signed physician certification for shared care tax
20 credit form or the original completed and signed division of aging certification for shared care
21 tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's
22 Missouri individual income tax return to the department of revenue.

23 2. The tax credit allowed by this section shall apply to any year beginning after
24 December 31, 1999, **but ending on or before December 31, 2013.**

25 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
26 under the authority delegated in sections 660.050 to 660.057 shall become effective only if it
27 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
28 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect
29 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any
30 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions
31 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the
32 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove
33 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
34 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

35 4. Any person who knowingly falsifies any document required for the shared care tax
36 credit shall be subject to the same penalties for falsifying other tax documents as provided in
37 chapter 143.

38 **5. (1) For all taxable years beginning on or after January 1, 2014, no credit shall**
39 **be allowed under this section, but any taxpayer described in this section shall be eligible**
40 **to claim a deduction as allowed under this section.**

41 **(2) As used in this subsection, the term "deduction" means an amount subtracted**
42 **from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income**
43 **for the tax year in which such deduction is claimed.**

44 **(3) In addition to all deductions provided by law, for all taxable years beginning**
45 **on or after January 1, 2014, a registered caregiver shall be allowed a deduction for costs**
46 **as described in this section. The amount of such deduction shall be equal to the amounts**
47 **allowed for tax credits before January 1, 2014, as provided in this section. All deductions**
48 **allowed under this subsection shall be subject to the same procedures and requirements**
49 **for taxpayers claiming tax credits under this section, and shall be administered as other**
50 **tax deductions are administered as provided by law.**

 [137.106. 1. This section may be known and may be cited as "The
2 Missouri Homestead Preservation Act".

3 2. As used in this section, the following terms shall mean:

4 (1) "Department", the department of revenue;

5 (2) "Director", the director of revenue;

6 (3) "Disabled", as such term is defined in section 135.010;

7 (4) "Eligible owner", any individual owner of property who is sixty-five
8 years old or older as of January first of the tax year in which the individual is
9 claiming the credit or who is disabled, and who had an income of equal to or less
10 than the maximum upper limit in the year prior to completing an application
11 pursuant to this section; or

12 (a) In the case of a married couple owning property either jointly or as
13 tenants by the entirety, or where only one spouse owns the property, such couple
14 shall be considered an eligible taxpayer if both spouses have reached the age of
15 sixty-five or if one spouse is disabled, or if one spouse is at least sixty-five years
16 old and the other spouse is at least sixty years old, and the combined income of
17 the couple in the year prior to completing an application pursuant to this section
18 did not exceed the maximum upper limit; or

19 (b) In the case of joint ownership by unmarried persons or ownership by
20 tenancy in common by two or more unmarried persons, such owners shall be
21 considered an eligible owner if each person with an ownership interest
22 individually satisfies the eligibility requirements for an individual eligible owner
23 under this section and the combined income of all individuals with an interest in
24 the property is equal to or less than the maximum upper limit in the year prior to
25 completing an application under this section. If any individual with an ownership
26 interest in the property fails to satisfy the eligibility requirements of an individual
27 eligible owner or if the combined income of all individuals with interest in the
28 property exceeds the maximum upper limit, then all individuals with an
29 ownership interest in such property shall be deemed ineligible owners regardless
30 of such other individual's ability to individually meet the eligibility requirements;
31 or

32 (c) In the case of property held in trust, the eligible owner and recipient
33 of the tax credit shall be the trust itself provided the previous owner of the
34 homestead or the previous owner's spouse: is the settlor of the trust with respect
35 to the homestead; currently resides in such homestead; and but for the transfer of

36 such property would have satisfied the age, ownership, and maximum upper limit
37 requirements for income as defined in subdivisions (7) and (8) of this subsection;
38 No individual shall be an eligible owner if the individual has not paid their
39 property tax liability, if any, in full by the payment due date in any of the three
40 prior tax years, except that a late payment of a property tax liability in any prior
41 year shall not disqualify a potential eligible owner if such owner paid in full the
42 tax liability and any and all penalties, additions and interest that arose as a result
43 of such late payment; no individual shall be an eligible owner if such person filed
44 a valid claim for the senior citizens property tax relief credit pursuant to sections
45 135.010 to 135.035;

46 (5) "Homestead", as such term is defined pursuant to section 135.010,
47 except as limited by provisions of this section to the contrary. No property shall
48 be considered a homestead if such property was improved since the most recent
49 annual assessment by more than five percent of the prior year appraised value,
50 except where an eligible owner of the property has made such improvements to
51 accommodate a disabled person;

52 (6) "Homestead exemption limit", a percentage increase, rounded to the
53 nearest hundredth of a percent, which shall be equal to the percentage increase
54 to tax liability, not including improvements, of a homestead from one tax year to
55 the next that exceeds a certain percentage set pursuant to subsection 10 of this
56 section. For applications filed in 2005 or 2006, the homestead exemption limit
57 shall be based on the increase to tax liability from 2004 to 2005. For applications
58 filed between April 1, 2005, and September 30, 2006, an eligible owner, who
59 otherwise satisfied the requirements of this section, shall not apply for the
60 homestead exemption credit more than once during such period. For applications
61 filed after 2006, the homestead exemption limit shall be based on the increase to
62 tax liability from two years prior to application to the year immediately prior to
63 application. For applications filed between December 31, 2008, and December
64 31, 2011, the homestead exemption limit shall be based on the increase in tax
65 liability from the base year to the year prior to the application year. For
66 applications filed on or after January 1, 2012, the homestead exemption limit
67 shall be based on the increase to tax liability from two years prior to application
68 to the year immediately prior to application. For purposes of this subdivision, the
69 term "base year" means the year prior to the first year in which the eligible
70 owner's application was approved, or 2006, whichever is later;

71 (7) "Income", federal adjusted gross income, and in the case of ownership
72 of the homestead by trust, the income of the settlor applicant shall be imputed to
73 the income of the trust for purposes of determining eligibility with regards to the
74 maximum upper limit;

75 (8) "Maximum upper limit", in the calendar year 2005, the income sum
76 of seventy thousand dollars; in each successive calendar year this amount shall
77 be raised by the incremental increase in the general price level, as defined
78 pursuant to article X, section 17 of the Missouri Constitution.

79 3. Pursuant to article X, section 6(a) of the Constitution of Missouri, if
80 in the prior tax year, the property tax liability on any parcel of subclass (1) real
81 property increased by more than the homestead exemption limit, without regard
82 for any prior credit received due to the provisions of this section, then any
83 eligible owner of the property shall receive a homestead exemption credit to be
84 applied in the current tax year property tax liability to offset the prior year
85 increase to tax liability that exceeds the homestead exemption limit, except as
86 eligibility for the credit is limited by the provisions of this section. The amount
87 of the credit shall be listed separately on each taxpayer's tax bill for the current
88 tax year, or on a document enclosed with the taxpayer's bill. The homestead
89 exemption credit shall not affect the process of setting the tax rate as required
90 pursuant to article X, section 22 of the Constitution of Missouri and section
91 137.073 in any prior, current, or subsequent tax year.

92 4. If application is made in 2005, any potential eligible owner may apply
93 for the homestead exemption credit by completing an application through their
94 local assessor's office. Applications may be completed between April first and
95 September thirtieth of any tax year in order for the taxpayer to be eligible for the
96 homestead exemption credit in the tax year next following the calendar year in
97 which the homestead exemption credit application was completed. The
98 application shall be on forms provided to the assessor's office by the department.
99 Forms also shall be made available on the department's internet site and at all
100 permanent branch offices and all full-time, temporary, or fee offices maintained
101 by the department of revenue.

102 The applicant shall attest under penalty of perjury:

- 103 (1) To the applicant's age;
104 (2) That the applicant's prior year income was less than the maximum
105 upper limit;
106 (3) To the address of the homestead property; and
107 (4) That any improvements made to the homestead, not made to
108 accommodate a disabled person, did not total more than five percent of the prior
109 year appraised value. The applicant shall also include with the application copies
110 of receipts indicating payment of property tax by the applicant for the homestead
111 property for the two prior tax years.

112 5. If application is made in 2005, the assessor, upon request for an
113 application, shall:

- 114 (1) Certify the parcel number and owner of record as of January first of
115 the homestead, including verification of the acreage classified as residential on
116 the assessor's property record card;
117 (2) Obtain appropriate prior tax year levy codes for each homestead from
118 the county clerks for inclusion on the form;
119 (3) Record on the application the assessed valuation of the homestead for
120 the current tax year, and any new construction or improvements for the current
121 tax year; and

122 (4) Sign the application, certifying the accuracy of the assessor's entries.

123 6. If application is made after 2005, any potential eligible owner may
124 apply for the homestead exemption credit by completing an application.
125 Applications may be completed between April first and October fifteenth of any
126 tax year in order for the taxpayer to be eligible for the homestead exemption
127 credit in the tax year next following the calendar year in which the homestead
128 exemption credit application was completed. The application shall be on forms
129 provided by the department. Forms also shall be made available on the
130 department's internet site and at all permanent branch offices and all full-time,
131 temporary, or fee offices maintained by the department of revenue. The applicant
132 shall attest under penalty of perjury:

133 (1) To the applicant's age;

134 (2) That the applicant's prior year income was less than the maximum
135 upper limit;

136 (3) To the address of the homestead property;

137 (4) That any improvements made to the homestead, not made to
138 accommodate a disabled person, did not total more than five percent of the prior
139 year appraised value; and

140 (5) The applicant shall also include with the application copies of receipts
141 indicating payment of property tax by the applicant for the homestead property
142 for the three prior tax years.

143 7. Each applicant shall send the application to the department by October
144 fifteenth of each year for the taxpayer to be eligible for the homestead exemption
145 credit in the tax year next following the calendar year in which the application
146 was completed.

147 8. If application is made in 2005, upon receipt of the applications, the
148 department shall calculate the tax liability, adjusted to exclude new construction
149 or improvements verify compliance with the maximum income limit, verify the
150 age of the applicants, and make adjustments to these numbers as necessary on the
151 applications. The department also shall disallow any application where the
152 applicant has also filed a valid application for the senior citizens property tax
153 credit, pursuant to sections 135.010 to 135.035. Once adjusted tax liability, age,
154 and income are verified, the director shall determine eligibility for the credit, and
155 provide a list of all verified eligible owners to the county collectors or county
156 clerks in counties with a township form of government by December fifteenth of
157 each year. By January fifteenth, the county collectors or county clerks in counties
158 with a township form of government shall provide a list to the department of any
159 verified eligible owners who failed to pay the property tax due for the tax year
160 that ended immediately prior. Such eligible owners shall be disqualified from
161 receiving the credit in the current tax year.

162 9. If application is made after 2005, upon receipt of the applications, the
163 department shall calculate the tax liability, verify compliance with the maximum
164 income limit, verify the age of the applicants, and make adjustments to these

165 numbers as necessary on the applications. The department also shall disallow
166 any application where the applicant also has filed a valid application for the
167 senior citizens property tax credit under sections 135.010 to 135.035. Once
168 adjusted tax liability, age, and income are verified, the director shall determine
169 eligibility for the credit and provide a list of all verified eligible owners to the
170 county assessors or county clerks in counties with a township form of
171 government by December fifteenth of each year. By January fifteenth, the county
172 assessors shall provide a list to the department of any verified eligible owners
173 who made improvements not for accommodation of a disability to the homestead
174 and the dollar amount of the assessed value of such improvements. If the dollar
175 amount of the assessed value of such improvements totaled more than five
176 percent of the prior year appraised value, such eligible owners shall be
177 disqualified from receiving the credit in the current tax year.

178 10. The director shall calculate the level of appropriation necessary to set
179 the homestead exemption limit at five percent when based on a year of general
180 reassessment or at two and one-half percent when based on a year without general
181 reassessment for the homesteads of all verified eligible owners, and provide such
182 calculation to the speaker of the house of representatives, the president pro
183 tempore of the senate, and the director of the office of budget and planning in the
184 office of administration by January thirty-first of each year.

185 11. For applications made in 2005, the general assembly shall make an
186 appropriation for the funding of the homestead exemption credit that is signed by
187 the governor, then the director shall, by July thirty-first of such year, set the
188 homestead exemption limit. The limit shall be a single, statewide percentage
189 increase to tax liability, rounded to the nearest hundredth of a percent, which, if
190 applied to all homesteads of verified eligible owners who applied for the
191 homestead exemption credit in the immediately prior tax year, would cause all
192 but one-quarter of one percent of the amount of the appropriation, minus any
193 withholding by the governor, to be distributed during that fiscal year. The
194 remaining one-quarter of one percent shall be distributed to the county
195 assessment funds of each county on a proportional basis, based on the number of
196 eligible owners in each county; such one-quarter percent distribution shall be
197 delineated in any such appropriation as a separate line item in the total
198 appropriation. If no appropriation is made by the general assembly during any
199 tax year or no funds are actually distributed pursuant to any appropriation
200 therefor, then no homestead preservation credit shall apply in such year.

201 12. After setting the homestead exemption limit for applications made
202 in 2005, the director shall apply the limit to the homestead of each verified
203 eligible owner and calculate the credit to be associated with each verified eligible
204 owner's homestead, if any. The director shall send a list of those eligible owners
205 who are to receive the homestead exemption credit, including the amount of each
206 credit, the certified parcel number of the homestead, and the address of the

homestead property, to the county collectors or county clerks in counties with a township form of government by August thirty-first.

Pursuant to such calculation, the director shall instruct the state treasurer as to how to distribute the appropriation and assessment fund allocation to the county collector's funds of each county or the treasurer ex officio collector's fund in counties with a township form of government where recipients of the homestead exemption credit are located, so as to exactly offset each homestead exemption credit being issued, plus the one-quarter of one percent distribution for the county assessment funds. As a result of the appropriation, in no case shall a political subdivision receive more money than it would have received absent the provisions of this section plus the one-quarter of one percent distribution for the county assessment funds. Funds, at the direction of the county collector or the treasurer ex officio collector in counties with a township form of government, shall be deposited in the county collector's fund of a county or the treasurer ex officio collector's fund or may be sent by mail to the collector of a county, or the treasurer ex officio collector in counties with a township form of government, not later than October first in any year a homestead exemption credit is appropriated as a result of this section and shall be distributed as moneys in such funds are commonly distributed from other property tax revenues by the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government, so as to exactly offset each homestead exemption credit being issued. In counties with a township form of government, the county clerk shall provide the treasurer ex officio collector a summary of the homestead exemption credit for each township for the purpose of distributing the total homestead exemption credit to each township collector in a particular county.

13. If, in any given year after 2005, the general assembly shall make an appropriation for the funding of the homestead exemption credit that is signed by the governor, then the director shall determine the apportionment percentage by equally apportioning the appropriation among all eligible applicants on a percentage basis. If no appropriation is made by the general assembly during any tax year or no funds are actually distributed pursuant to any appropriation therefor, then no homestead preservation credit shall apply in such year.

14. After determining the apportionment percentage, the director shall calculate the credit to be associated with each verified eligible owner's homestead, if any. The director shall send a list of those eligible owners who are to receive the homestead exemption credit, including the amount of each credit, the certified parcel number of the homestead, and the address of the homestead property, to the county collectors or county clerks in counties with a township form of government by August thirty-first. Pursuant to such calculation, the director shall instruct the state treasurer as to how to distribute the appropriation to the county collector's fund of each county where recipients of the homestead exemption credit are located, so as to exactly offset each homestead exemption credit being issued. As a result of the appropriation, in no case shall a political

subdivision receive more money than it would have received absent the provisions of this section. Funds, at the direction of the collector of the county or treasurer ex officio collector in counties with a township form of government, shall be deposited in the county collector's fund of a county or may be sent by mail to the collector of a county, or treasurer ex officio collector in counties with a township form of government, not later than October first in any year a homestead exemption credit is appropriated as a result of this section and shall be distributed as moneys in such funds are commonly distributed from other property tax revenues by the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government, so as to exactly offset each homestead exemption credit being issued.

15. The department shall promulgate rules for implementation of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid and void. Any rule promulgated by the department shall in no way impact, affect, interrupt, or interfere with the performance of the required statutory duties of any county elected official, more particularly including the county collector when performing such duties as deemed necessary for the distribution of any homestead appropriation and the distribution of all other real and personal property taxes.

16. In the event that an eligible owner dies or transfers ownership of the property after the homestead exemption limit has been set in any given year, but prior to January first of the year in which the credit would otherwise be applied, the credit shall be void and any corresponding moneys, pursuant to subsection 12 of this section, shall lapse to the state to be credited to the general revenue fund. In the event the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government determines prior to issuing the credit that the individual is not an eligible owner because the individual did not pay the prior three years' property tax liability in full, the credit shall be void and any corresponding moneys, under subsection 11 of this section, shall lapse to the state to be credited to the general revenue fund.

17. This section shall apply to all tax years beginning on or after January 1, 2005. This subsection shall become effective June 28, 2004.

18. In accordance with the provisions of sections 23.250 to 23.298 and unless otherwise authorized pursuant to section 23.253:

(1) Any new program authorized under the provisions of this section shall automatically sunset six years after the effective date of this section; and

292 (2) This section shall terminate on September first of the year following
293 the year in which any new program authorized under this section is sunset, and
294 the revisor of statutes shall designate such sections and this section in a revision
295 bill for repeal.]

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